

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to require the Department of Medical Assistance Services to develop a pilot program for the use*  
3 *of biometric data to improve quality of care and efficiency and reduce waste, fraud, and abuse in the*  
4 *Commonwealth's Medicaid program.*

5 [H 1378]

6 Approved

7 **Be it enacted by the General Assembly of Virginia:**

8 1. § 1. *That the Department of Medical Assistance Services (Department) shall design and develop a*  
9 *plan for a pilot program to (i) increase the quality of care provided to recipients of medical assistance*  
10 *services; (ii) improve the accuracy and efficiency in billing for medical assistance services by providers;*  
11 *(iii) reduce the potential for identity theft and the unlawful use of recipients' identifying information;*  
12 *and (iv) reduce waste, fraud, and abuse in the state's Medicaid program.*

13 § 2. *The design of such pilot program shall include (i) implementation of a system that utilizes*  
14 *biometric data such as fingerprints to immediately verify a recipient's identity and eligibility for services*  
15 *and to create, store, and use electronic records that contain information about the type, nature, and*  
16 *duration of services rendered to a recipient by a provider; (ii) participation by all medical assistance*  
17 *services recipients in at least one urban, one suburban, and one rural county of the Commonwealth, to*  
18 *ensure participation of a sufficient number of persons to allow for collection of meaningful data and*  
19 *information; (iii) distribution of necessary equipment, including biometric readers and any cards or*  
20 *other materials or documents, to recipients and providers at no cost by the Department; and (iv) regular*  
21 *monitoring and review of individual service recipients' electronic records by the Department to identify*  
22 *and address inaccurate charges and instances of waste, fraud, or abuse.*

23 § 3. *The design of such pilot program shall also include provisions (i) to ensure that all devices and*  
24 *systems utilized as part of the pilot program comply with standards for biometric data developed by the*  
25 *American National Standards Institute/National Institute of Standards and Technology and all state and*  
26 *federal requirements relating to interoperability and information security, including all requirements of*  
27 *the Health Insurance Portability and Accountability Act (42 U.S.C. § 1320d et seq.); (ii) to ensure that*  
28 *service recipients' personal identifying, health, and other information is protected from unauthorized*  
29 *disclosure; (iii) for the development of procedures and guidelines for the use of biometric readers and*  
30 *other equipment to verify a recipient's identity and eligibility for services; (iv) to ensure that every*  
31 *medical assistance services provider and recipient participating in the pilot program is informed as to*  
32 *the purpose of the program, the processes for capturing, enrolling, and verifying biometric data, the*  
33 *manner in which biometric data will be used, and steps that will be taken to protect personal*  
34 *identifying, health, and other information from unauthorized disclosure; (v) to allow for actual*  
35 *demonstration of the data capture and verification processes for every medical assistance services*  
36 *provider and recipient participating in the pilot program; (vi) for addressing problems related to the*  
37 *loss, theft, or malfunction of or damage to equipment and any identifying documents or materials*  
38 *provided by the Department; and (vii) for development of a hotline or other means by which providers*  
39 *and recipients may contact the Department for assistance.*

40 § 4. *The Department shall report to the General Assembly on the design and development of the plan*  
41 *for the pilot program, costs of the pilot program, savings associated with the pilot program, and any*  
42 *other pertinent information no later than September 1, 2010.*

43 2. **That the plan for the pilot program developed pursuant to the provisions of this act shall be**  
44 **implemented and carried out by the Department of Medical Assistance Services upon funding for**  
45 **the same being provided under a federal appropriations law.**

ENROLLED

HB1378ER