

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: HB 1378

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|-----------------|-------------------------------------|--------------|--------------------------|------------|--------------------------|-----------|
| House of Origin | <input type="checkbox"/> | Introduced | <input type="checkbox"/> | Substitute | <input type="checkbox"/> | Engrossed |
| Second House | <input checked="" type="checkbox"/> | In Committee | <input type="checkbox"/> | Substitute | <input type="checkbox"/> | Enrolled |

2. Patron: Sickles

3. Committee: Senate Finance

4. Title: Department of Medical Assistance Services; feasibility of pilot program for the use of biometric data

- 5. Summary:** The substitute bill directs the Department of Medical Assistance Services to examine the feasibility of a pilot program for storing Medicaid recipient biometric data. Biometric data is used to describe the information collected during an enrollment, verification, or identification process and is stored on “smart cards”. Smart cards are generally a credit card-sized card with a microprocessor and memory. The cards would be presented by Medicaid recipients at the point of contact with medical providers who would use biometric readers to verify recipient identity and eligibility for services as well as electronic records reflecting information about services rendered to the recipient. The goals of the program include improving quality of care, improving accuracy and efficiency of billing, reducing identity theft, and reducing waste, fraud, and abuse.

The pilot program would be established in a least one rural, one suburban, and one urban county in the Commonwealth. DMAS would monitor the data collected to identify any inaccurate charges or instances of waste, fraud and abuse.

The department is required to report on the design, feasibility, costs, and savings associated with the pilot program, no later than December 1, 2010.

6. Fiscal Impact Estimates: Minimal. SEE ITEM 8.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: This bill requires DMAS to conduct a feasibility study and has minimal fiscal impact due to the staff resources necessary to conduct the study. The agency’s current staff would conduct the study. Therefore, no budget amendment is necessary.

9. Specific Agency or Political Subdivisions Affected: Department of Medical Assistance Services.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 3/1/2010 mst

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