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HOUSE BILL NO. 2417

House Amendments in [] — February 6, 2017

A *BILL to amend and reenact § 2.2-4348 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 32.1-319.1, relating to Department of Medical Assistance Services; fraud prevention; prepayment analytics.*

Patron Prior to Engrossment—Delegate Landes

Referred to Committee on Health, Welfare and Institutions

Be it enacted by the General Assembly of Virginia:

1. That § 2.2-4348 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 32.1-319.1 as follows:

§ 2.2-4348. Exemptions.

The provisions of this article shall not apply to (i) the late payment provisions contained in any public utility tariffs prescribed by the State Corporation Commission or (ii) payments for services provided under the state plan for medical assistance identified as potentially fraudulent, abusive, or erroneous in accordance with the program established pursuant to § 32.1-319.1 and delayed until such time as the claim can be validated.

§ 32.1-319.1. Department to establish program [to use prepayment analytics] to mitigate risk of improper payments.

A. The Department shall establish a program [using prepayment analytics] to mitigate the risk of improper payments to providers of services [~~furnished under the state plan for medical assistance that are paid through the Department's fee-for-service delivery system~~] who commit fraud, abuse, or errors. Such program shall include the use of predictive modeling, provider profiling, trend analysis, and other prepayment analytics to identify providers [and claims] with a high likelihood of fraud, abuse, or error and prevent payments on potentially fraudulent claims from being made until such claims have been validated.

B. The Department may enter into a contract or agreement with a vendor for the operation of the program to mitigate risk of improper payments to providers of services [~~furnished under the state plan for medical assistance that are paid through the Department's fee-for-service delivery system~~] required by this section.

ENGROSSED

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