

## **Department of Planning and Budget**

### **2019 Fiscal Impact Statement**

**1. Bill Number:** HB 2015

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

**2. Patron:** Peace, Christopher K.

**3. Committee:** Passed Both House

**4. Title:** Fraud prevention; DMAS to expand its existing program

**5. Summary:** The enrolled bill requires the Department of Medical Assistance Services (DMAS) to develop a pilot program to mitigate risk of improper payment to services providers furnished under the state plan for medical assistance and all applicable waivers. DMAS must also report, (i) by August 1, 2019, on its progress in designing and implementing the required pilot program and (ii) by February 1, 2020, on the effectiveness of the pilot program established pursuant to this act in mitigating the risk of improper payments to providers.

**6. Budget Amendment Necessary:** No

**7. No Fiscal Impact**

**8. Fiscal Implications:** Current statute requires DMAS to perform prepayment analytics on services paid through the department's fee-for-service delivery system. In addition to removing this prepayment requirement, the substitute bill changes the focus from all fee-for-service claims to a pilot program that would analyze all claims types, including those from managed care organizations (MCO). Since DMAS has not yet awarded a contract to implement the currently required prepayment analytics program, it is assumed that the current request for proposal (RFP) could be modified to meet the altered requirements of this bill. While this legislation expands the scope of the program by including MCOs, the bill's move to a pilot program that aims to stop future payments instead of administering prepayment actions allows the pilot program to be implemented with existing resources.

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

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None