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HOUSE JOINT RESOLUTION NO. 108

Offered January 13, 2016

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Directing the Joint Legislative Audit and Review Commission to study electronic sources of data of out-of-state income and resources of Medicaid applicants available from third-party vendors for Medicaid eligibility determinations. Report.

Patrons—Rasoul, Bagby, Bell, John J., Boysko, Heretick, Kory, Lindsey, McQuinn, Plum and Simon;
Senator: Saslaw

Referred to Committee on Rules

WHEREAS, the Commonwealth's program of medical assistance, known as Medicaid, provides medical, long-term care, and behavioral health services to more than one million individuals each year; and

WHEREAS, the Department of Medical Assistance Services, which administers the Medicaid program, paid almost \$8 billion in state and federal funds for services to service recipients in fiscal year 2014; and

WHEREAS, the Department of Medical Assistance Services establishes policies governing the Medicaid program in accordance with federal requirements, the Department of Social Services oversees the implementation of eligibility policies established by the Department of Medical Assistance Services, and local departments of social services carry out policy requirements to determine or redetermine the eligibility of individuals for medical assistance services; and

WHEREAS, in carrying out eligibility determinations and redeterminations, local departments of social services request and review information about applicants from a range of sources, but local departments are not required to search for unreported income or assets; and

WHEREAS, unreported income and assets may affect an individual's eligibility for medical assistance services and identifying unreported income and assets of applicants may assist the Commonwealth in ensuring that only eligible applicants receive benefits; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Legislative Audit and Review Commission be directed to study electronic sources of data of out-of-state income and resources of Medicaid applicants available from third-party vendors for Medicaid eligibility determinations.

In conducting its study, the Joint Legislative Audit and Review Commission (JLARC) shall review and make recommendations on the data sources that are available from third-party vendors to strengthen eligibility determinations and redeterminations that are not currently utilized by the Departments of Medical Assistance Services and Social Services, including out-of-state data that could help to identify and reduce waste, fraud, and abuse, including the following:

1. Immigration status information maintained by U.S. Citizenship and Immigration Services;
2. Death register information maintained by the U.S. Social Security Administration;
3. Prisoner information maintained by the U.S. Social Security Administration;
4. Earned income information maintained by the U.S. Social Security Administration;
5. Beneficiary records and earnings information maintained by the U.S. Social Security Administration in its Beneficiary and Earnings Data Exchange (BENDEX) database;
6. Earnings and pension information maintained by the U.S. Social Security Administration in its Beneficiary Earnings Exchange Record System (BEERS) database;
7. Supplemental Security Income information maintained by the U.S. Social Security Administration in its SSI State Data Exchange (SDX) database;
8. Earned and unearned income information maintained by the Internal Revenue Service;
9. Employment information maintained by the Virginia Employment Commission;
10. Information contained in employer quarterly reports of income and unemployment insurance payments maintained by the Virginia Employment Commission;
11. Employment information maintained by the U.S. Department of Health and Human Services in its National Directory of New Hires database;
12. Wage reporting and similar information maintained by states contiguous to the Commonwealth;
13. National fleeing felon information maintained by the Federal Bureau of Investigation;
14. Public housing and Section 8 Housing Assistance payment information maintained by the U.S. Department of Housing and Urban Development;
15. Veterans benefits information maintained by the U.S. Department of Health and Human Services, in coordination with the Virginia Department of Health and the Virginia Department of Veterans

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HJ108

58 Services, in the federal Public Assistance Reporting Information System (PARIS) database;
59 16. Child care services information maintained by the Department of Social Services;
60 17. Utility payments information maintained by the Commonwealth under the Low Income Home
61 Energy Assistance Program;
62 18. Emergency utility payment information maintained by the Commonwealth or local entities;
63 19. Information from a database of all persons who currently hold a license, permit, or certificate
64 from any state agency the cost of which exceeds \$500;
65 20. Information from a nationwide public records data source of physical asset ownership, such as
66 real property, automobiles, watercraft, aircraft, and luxury vehicles;
67 21. Information from a nationwide public records data source of incarcerated individuals;
68 22. Information from a nationwide best-address and driver's license data source to verify whether
69 individuals are residents of the Commonwealth;
70 23. Information from a comprehensive public records database that identifies potential identity fraud
71 or identity theft and can closely associate name, social security number, date of birth, and telephone and
72 address information;
73 24. Information from records of national and local financial institutions, in order to locate
74 undisclosed depository accounts or verify account balances of disclosed accounts;
75 25. Outstanding default or arrest warrant information maintained by the Central Criminal Records
76 Exchange, the criminal justice information system, and the warrant management system;
77 26. Income and employment information maintained by the Division of Child Support Enforcement
78 of the Department of Social Services and the Office of Child Support Enforcement of the U.S.
79 Department of Health and Human Services;
80 27. Earnings and pension information maintained by the Virginia Retirement System;
81 28. Any existing real-time database of persons currently receiving benefits in other states, such as the
82 National Accuracy Clearinghouse; and
83 29. Information from any other database that is substantially similar to or a successor of such a
84 database.

85 The Joint Legislative Audit and Review Commission shall also study the feasibility of requiring,
86 prior to awarding assistance, that applicants for assistance complete a computerized identity
87 authentication process that shall confirm that the applicant owns the identity presented in the application,
88 which shall include (i) a knowledge-based test consisting of financial or personal questions, which shall
89 accommodate non-banked or under-banked applicants who do not have an established credit history, and
90 (ii) a requirement that the test be available to be submitted online, in person, and via telephone.

91 Technical assistance shall be provided to JLARC by the Departments of Medical Assistance Services
92 and Social Services. All agencies of the Commonwealth shall provide assistance to JLARC for this
93 study, upon request.

94 The Joint Legislative Audit and Review Commission shall complete its meetings for the first year by
95 November 30, 2016, and for the second year by November 30, 2017, and the chairman shall submit to
96 the Division of Legislative Automated Systems an executive summary of its findings and
97 recommendations no later than the first day of the next Regular Session of the General Assembly for
98 each year. Each executive summary shall state whether JLARC intends to submit to the General
99 Assembly and the Governor a report of its findings and recommendations for publication as a House or
100 Senate document. The executive summaries and reports shall be submitted as provided in the procedures
101 of the Division of Legislative Automated Systems for the processing of legislative documents and
102 reports and shall be posted on the General Assembly's website.