



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2015 Biennium

Bill # SB0069

Title: Revise Medicaid qualification enforcement laws

Primary Sponsor: Walker, Edward

Status: As Amended in House Committee

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: SB 69, as amended, provides courts the ability to impose a civil fine, payable to the Department of Public Health and Human Services (DPHHS), in the event a person receives an asset for less than fair market value from an applicant for or recipient of medical assistance for long-term care or home and community-based services. Any judicial proceedings initiated by DPHHS will require additional legal work, but must be undertaken using available resources.

FISCAL ANALYSIS

Assumptions:

1. Upon receipt of a Medicaid application, Office of Public Assistance staff currently determine whether or not an asset has been transferred for less than fair market value in order to qualify for Medicaid services.
2. If a determination is made that an asset was received for less than fair market value from an applicant for or recipient of medical assistance for long-term care or home and community-based services, additional legal activities would be required. If DPHHS initiates a judicial proceeding, the proceedings must be undertaken using available resources.
3. A court may impose a civil fine payable to DPHHS of 100% to 150% of the amount that DPHHS paid for medical assistance for the applicant or recipient during the period of ineligibility related to the transfer, plus the department's court costs and attorney fees. However, it is difficult to determine the timing, magnitude,

and frequency of civil fines imposed by the court, and as a result, no additional revenue is assumed in this fiscal note.

4. The workload of district courts may increase as a result of this legislation; however, the Judicial Branch is unable to estimate the impact on judicial workload.

Technical Notes:

1. The applicant or recipient of medical assistance would be required to sign a Health Insurance Portability and Accountability (HIPAA) authorization release form to enable the Department to share information during the pursuit of a civil claim.

Sponsor's Initials

Date

Budget Director's Initials

Date