

HB 687-FN-LOCAL - AS INTRODUCED

2015 SESSION

15-0136
01/04

HOUSE BILL **687-FN-LOCAL**

AN ACT relative to eligibility for Medicaid.

SPONSORS: Rep. Hess, Merr 24

COMMITTEE: Health, Human Services and Elderly Affairs

ANALYSIS

This bill requires the department of health and human services to verify income, residency, and identity for purposes of eligibility for Medicaid. The bill requires the department to procure and contract with a vendor to conduct data matches to verify eligibility for medical assistance. The bill grants rulemaking authority to the commissioner of the department of health and human services for the purposes of the bill.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears [~~in brackets and struck through~~].
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fifteen

AN ACT relative to eligibility for Medicaid.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Subdivision; Income, Residency, and Identity Verification; Medicaid. Amend RSA 126-A
2 by inserting after section 18-b the following new subdivision:

3 Income, Residence, and Identity Verification System

4 126-A:18-c Income, Residency, and Identity Verification System; Medicaid.

5 I. The department shall ensure that its proposed integrated eligibility system shall include
6 the computerized functions of income, residency, and identity eligibility verification to verify
7 eligibility, eliminate duplication of medical assistance, and deter fraud. Until the integrated
8 eligibility system is operational, the department may enter into a contract with a vendor as
9 necessary to obtain the electronic data matching described in this section.

10 II. Prior to awarding Medicaid medical assistance, the department shall, to the extent such
11 databases are available to the department, conduct data matches using the name, date of birth,
12 address, and Social Security number of each applicant or recipient or responsible relative of an
13 applicant or recipient against the following:

14 (a) Income tax information.

15 (b) Employer reports of income and unemployment insurance payment information
16 maintained by the department of employment security and any other relevant information
17 maintained by the department of employment security.

18 (c) Earned and unearned income, citizenship and death, and other relevant information
19 maintained by the Social Security Administration.

20 (d) Immigration status information maintained by the United States Citizenship and
21 Immigration Services.

22 (e) Wage reporting and similar information maintained by states contiguous to this
23 state.

24 (f) Employment information maintained by the United States Department of Health and
25 Human Services in its National Directory of New Hires database.

26 (g) Veterans' benefits information maintained by the United States Department of
27 Health and Human Services, in coordination with the Department of Health and Human Services
28 and the Department of Veterans' Affairs, in the federal Public Assistance Reporting Information
29 System (PARIS) database.

30 (h) Residency information maintained by the secretary of state.

31 (i) A database which is substantially similar to or a successor of a database described in

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1 this section that contains information relevant for verifying eligibility for medical assistance.

2 III. If a discrepancy results between information provided by an applicant, recipient, or
3 responsible relative and information contained in one or more of the databases or information tools
4 listed under paragraph II or RSA 126-A:18-d and that discrepancy calls into question the accuracy of
5 information relevant to a condition of eligibility provided by the applicant, recipient, or responsible
6 relative, the department or its contractor shall review the applicant's or recipient's case using the
7 following procedures:

8 (a) If the information discovered under paragraph II or RSA 126-A:18-d does not result
9 in the department finding the applicant or recipient ineligible for assistance under RSA 167, the
10 department shall finalize the determination or redetermination of eligibility.

11 (b) If the information discovered results in the department finding the applicant or
12 recipient ineligible for assistance, the department shall provide appropriate notice.

13 (c) If the information discovered is insufficient to determine that the applicant or
14 recipient is eligible or ineligible, the department shall provide written notice to the applicant or
15 recipient which shall describe in sufficient detail the circumstances of the discrepancy, the
16 information or documentation required, the manner in which the applicant or recipient may respond,
17 and the consequences of failing to take action. The applicant or recipient shall have 10 business days
18 to respond.

19 (d) If the applicant or recipient does not respond to the notice, the department shall deny
20 assistance for failure to cooperate, in which case the department shall provide appropriate notice.
21 Eligibility for assistance shall not be established until the discrepancy has been resolved.

22 (e) If an applicant or recipient responds to the notice, the department shall determine
23 the effect of the information or documentation provided on the applicant's or recipient's case and
24 shall take appropriate action. Written notice of the department's action shall be provided to the
25 applicant or recipient.

26 (f) Suspected cases of fraud shall be referred to the department of justice.

27 126-A:18-d Procurement of Vendor.

28 I. The commissioner shall issue a request for proposals no later than 60 days after the
29 effective date of this section to procure a vendor to verify eligibility for Medicaid assistance. The
30 department shall seek, with the approval of the fiscal committee of the general court, all necessary
31 and appropriate waivers to implement the provisions of this section. Within 30 days of selection of
32 an eligibility verification vendor, the department shall enter into a contract with the selected vendor.

33 II. Upon becoming operational, the contractor shall conduct data matches using the name,
34 date of birth, address, and Social Security number of each applicant and recipient against public
35 records to verify eligibility. The contractor, upon preliminary determination that an enrollee is
36 eligible or ineligible, shall notify the department, except that the contractor shall not make
37 preliminary determinations regarding the eligibility of persons residing in long term care facilities

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1 whose income and resources were at or below the applicable financial eligibility standards at the
2 time of their last review. Within 20 business days of such notification, the department shall accept
3 the recommendation or reject it with a stated reason. The department shall retain final authority
4 over eligibility determinations. The contractor shall keep a record of all preliminary determinations
5 of ineligibility communicated to the department. Within 30 days of the end of each calendar quarter,
6 the department and contractor shall file a joint report on a quarterly basis, commencing on
7 December 1, 2015, to the speaker of the house of representatives, the president of the senate, and the
8 governor. The report shall include, but shall not be limited to, monthly recommendations of
9 preliminary determinations of eligibility or ineligibility communicated by the contractor, the actions
10 taken on those preliminary determinations by the department, the stated reasons for those
11 recommendations that the department rejected, and any proposed legislation.

12 III. An eligibility verification vendor contract shall be awarded for an initial 2-year period
13 with up to a maximum of 2 one-year renewal options. Nothing in this section shall compel the award
14 of a contract to a vendor that fails to meet the needs of the department. A contract with a vendor to
15 assist in the procurement shall be awarded for a period of time not to exceed 6 months.

16 IV. The provisions of this section shall be administered in compliance with federal law.

17 126-A:18-e Rulemaking. The commissioner shall adopt rules, pursuant to RSA 541-A, relative
18 to:

19 I. Form and content of any forms required under this subdivision.

20 II. Appropriate notice requirements in accordance with RSA 126-A:18-c, III.

21 III. Further procedures for procurement of a vendor as required under RSA 126-A:18-d.

22 IV. Any other matter necessary to the proper administration of this chapter.

23 2 Effective Date. This act shall take effect 60 days after its passage.

LBAO
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HB 687-FN-LOCAL - FISCAL NOTE

AN ACT relative to eligibility for Medicaid.

FISCAL IMPACT:

The Department of Health and Human Services states this bill, **as introduced**, will have an indeterminable impact on state expenditures in FY 2016 and each fiscal year thereafter. There will be no impact on county and local expenditures or state, county, and local revenue.

METHODOLOGY:

The Department of Health and Human Services states this bill requires the Department to verify certain eligibility factors for Medicaid enrollees through the use of third party data matches. The Department notes many of the attributes identified in this bill are already verified through data matching with third parties to comply with federal requirements. The Department is unable to estimate to what extent additional third party verifications would increase state expenditures, or conversely, what additional cost avoidances may be achieved through said additional verifications. Accordingly, the Department is unable to determine to what extent passage of the proposed legislation would impact state expenditures.