

BILL ANALYSIS

Senate Research Center
76R8053 KKA-D

C.S.S.B. 11
By: Zaffirini
Human Services
3/3/1999
Committee Report (Substituted)

DIGEST

Currently, Texas law establishes that a person commits a felony if the person knowingly provided improper information relating to payments to the state Medicaid program. This bill would change the standard of proof for Medicaid fraud from actual knowledge to deliberate ignorance or reckless disregard.

PURPOSE

As proposed, C.S.S.B. 11 establishes provisions regarding the mental state applicable to certain violations under the state Medicaid program.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 32.039(a), Human Resources Code, by adding Subdivision (4), to establish that a person “should know” or “should have known” information to be false if the person acts in deliberate ignorance or reckless disregard of the truth or falsity of the information, and proof of the person’s specific intent to defraud is not required.

SECTION 2. Amends Sections 32.039(b) and (d), Human Resources Code, to establish that a person commits a violation if the person presents a claim to the Department of Human Services that the person knows or should know to be false. Makes conforming changes.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: September 1, 1999.

SECTION 5. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends Section 32.039(a), Human Resources Code, by adding Subdivision (4), to establish that a person “should know” or “should have known” information to be false if the person acts in deliberate ignorance or reckless disregard of the truth or falsity of the information, and proof of the person’s intent to defraud is not required.

SECTIONS 2-5.

Redesignated from SECTIONS 1-4.