

BILL ANALYSIS

Senate Research Center
77R12688 SMJ-D

H.B. 2178
By: Salinas (Moncrief)
Health & Human Services
5/9/2001
Engrossed

DIGEST AND PURPOSE

From February 1997 through January 2001, the Health and Human Services medicaid fraud division found that 1170 children in Texas younger than 10 years of age were diagnosed as chemically dependent or chemically abusive, and 3779 children who are 10 through 13 years of age have received chemical dependency treatment. Some believe that some of these diagnoses are incorrect and fraudulent and that treatment for chemical dependency is unwarranted for some of these children. After chemical dependency services are rendered and a Medicaid claim is filed with the National Health Insurance Corporation (NHIC), the child's treatment history is entered into the NHIC database that can then be accessed by private insurance companies when researching potential policyholders for pre-existing conditions. Consequently, children can be stigmatized and penalized throughout their lives for an incorrect or fraudulent diagnosis of chemical dependency or abuse. H.B. 2178 requires a diagnosis of chemical dependency to be expunged from a child's records following the final conviction of a chemical dependency treatment provider for submitting a fraudulent claim for Medicaid reimbursement.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 531C, Government Code, by adding Section 531.112, as follows:

Sec. 531.112. EXPUNCTION OF INFORMATION RELATED TO CERTAIN CHEMICAL DEPENDENCY DIAGNOSES IN CERTAIN RECORDS. (a) Defines "chemical dependency" and "child."

(b) Requires the Health and Human Services Commission (commission) or other health and human services agency that operates a portion of the state Medicaid program, following the final conviction of a chemical dependency treatment provider for an offense, an element of which involves submitting a fraudulent claim for reimbursement for services under the state Medicaid program, to expunge or provide for the expunction of a diagnosis of chemical dependency in a child that has been made by the treatment provider and entered in any of certain records.

SECTION 2. Effective date: September 1, 2001.