



Program Integrity Reform

I N U T A H

Secure the Budget | Deter Benefits Fraud | Protect the Truly Needy

BOTTOM LINE

Together, the reforms included in this bill will enhance program integrity in Utah's Medicaid and food stamp programs, securing resources in a time of budgetary uncertainty, deterring fraud and waste, and protecting benefits for the truly needy.

FOOD STAMP REFORM BREAKDOWN

Fraud and waste report: Requires the department to cross-check state data sets to verify eligibility. This data includes lottery winnings, death records, prison records, and out-of-state EBT transactions.

Recipient reporting requirement: Requires food stamp recipients to report any changes in circumstances, like income or residency, within 10 days so the department can re-verify eligibility.

Child support cooperation requirement: Requires food stamp recipients to cooperate with efforts to enforce legally binding child support orders. Paired with good cause exemptions, enhanced cooperation will increase incomes for single-parent families and help end cyclical family poverty and dependency.

Ending broad-based categorical eligibility: Closes Utah's existing loophole which allows food stamp applicants to enroll without the department checking their assets (rather than simply income) in order to verify the applicants' eligibility under federal law.

MEDICAID REFORM BREAKDOWN

Protecting program integrity: The bill requires the department to cross-check state data sets to verify eligibility. This data includes lottery winnings, death records, prison records, and out-of-state EBT transactions.

Independent verification: Prohibits Utah's Medicaid program from relying on unreliable national ObamaCare exchanges for eligibility determinations without independently verifying eligibility under Utah law.

Using state flexibility waivers: Directs the department to request authority from the federal government to pursue the following reforms to ensure program integrity:

- End hospitals' lax practice of "presumptive eligibility" for Medicaid coverage in hospitals so that most patients' eligibility must be accurately verified before the state is responsible for payments.
- End Utah's use of automatic Medicaid renewal and prepopulated renewal forms so that Medicaid renewals and eligibility checks are meaningful.

Closes abusive loopholes: Prohibits the department from abusing federal loopholes that leave Utah's Medicaid program open to fraud like post-enrollment verification of income and self-attestation of income without more thorough verification.

Implements a three-strikes-you're-out system for hospital presumptive eligibility: Today, the state is powerless to maintain program integrity for spending on behalf of individuals enrolled through hospital presumptive eligibility. The bill creates a three-strikes-you're-out system so that hospitals can help fight waste and fraud more aggressively.

Minimizes damage from federal emergency restrictions: Requires the department to take several measures to reduce explosive costs of federal handcuffs that are sometimes imposed on Utah during emergencies like COVID-19. For example, Utah is currently prohibited from disenrolling any Medicaid enrollees, even if they become ineligible or commit fraud during current maintenance-of-effort provisions.

This section directs the department to continue "business as usual" eligibility determinations and conduct a thorough audit as soon as federal handcuffs come off in order to clear welfare rolls of ineligible recipients more quickly.