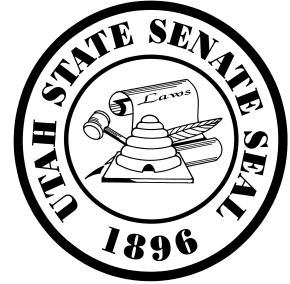




Performance Note
SB0241 - Medical Benefits
Recovery Amendments
Sponsor: Sen. Hemmert, Daniel



Performance Note Report

Author: Marshall Christensen

Agency: Department of Human Services

Funding For:

New Services or Benefit

Public Benefit:

Purpose: This bill provides three changes to Medicaid's Estate Recovery program in Utah. TEFRA (Tax Equity and Fiscal Responsibility Act of 1982) liens, surviving spouse deferrals rather than waivers, and notification to ORS of all probate filings. TEFRA liens are a method of recovering Medicaid expenditures by filing a lien against the home while the recipient is still alive. This provides increased transparency that Medicaid has an interest in the property, and prevents inappropriate transfers of the property prior to the recipient's death which can prevent Medicaid from being reimbursed appropriately. Currently, Utah does not pursue any Medicaid reimbursement if there is a surviving spouse at the time of the recipient's death; this will allow Utah to defer Medicaid reimbursement until the spouse passes away, rather than waiving all reimbursement. The probate notification will ensure ORS is aware of all probate actions and has time to file the appropriate liens for Medicaid reimbursement.

Services: Some system modifications for DWS to provide ORS with TEFRA eligibility referrals, appropriate tracking of TEFRA process, appropriate tracking of surviving spouses and deferred reimbursements, and staff to complete these new tasks.

Expected Outcome: The expected outcomes are better protections of assets which have been assigned to the Medicaid program, allowing ORS the appropriate opportunity to file the necessary liens and other paperwork to recover assigned assets on behalf of the Medicaid program prior to those assets being inappropriately sold, transferred or otherwise disbursed.

Implementations and Resources: It is anticipated that the majority of the first year will be spent with technology enhancements; seeking approval for the modifications to the Medicaid State Plan; developing policies, forms and procedures; and training new employees on estate recovery in general as well as on the new TEFRA processes, spousal deferrals, and probate notification reviews. While we hope to use the new process by the end of the first fiscal year, we should be ready for a measurable year-long goal by the second fiscal year. Department of Technology Services assigned to ORS as well as ORS Senior Business Analysts will be used to design, document, program, and test the technology enhancements. ORS-assigned Assistant Attorneys General will assist Department of Health administration with the necessary State Plan amendments as needed. ORS Compliance Specialists and Technical Writers will develop the ORS policy and procedures needed, as well as develop training

for the TEFRA process. Peer training will be used for training new ORS employees on the overall estate recovery program.

How: Having appropriate technology, policies, forms, and procedures as well as additional well-trained employees will allow ORS to use these new laws as they are intended. ORS will receive earlier notice of opportunities for potential Medicaid recovery and will be able to file appropriate liens earlier in the process prior to assets being inappropriately sold, transferred or otherwise disbursed.

Performance Measures

Goal

Title: Process Development and Implementation.

Description: FY 2019 would be spent on process development and implementation. DOH will need to amend the State Plan to include use of TEFRA liens and deferrals rather than waivers for surviving spouses. ORS will need to enhance ORSIS (in cooperation with DWS enhancements to eREP) to receive notifications when a TEFRA lien review is appropriate. ORS, DOH and AGO will need to develop policies, procedures, and forms for the new process. ORS will need to hire and train new FTEs.

Collection Method: DOH and ORS could jointly report on the progress of development and implementation to the Social Services Appropriations Subcommittee and appropriate intervals.

	2018	2019	2020
%	0.00	100.00	0.00
Baseline	0.00	0.00	0.00

By rule, performance notes are provided by the governmental entity that will supervise the new agency or administer the new program. Performance notes are not written by the Office of the Legislative Fiscal Analyst.