

HB0084S01 compared with HB0084

~~deleted text~~ shows text that was in HB0084 but was deleted in HB0084S01.

inserted text shows text that was not in HB0084 but was inserted into HB0084S01.

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Representative David Clark proposes the following substitute bill:

OFFICE OF INSPECTOR GENERAL OF MEDICAID SERVICES

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: David Clark

Senate Sponsor: _____

LONG TITLE

General Description:

This bill creates, within the governor's office, the Office of Inspector General of Medicaid Services.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ creates, within the governor's office, the Office of Inspector General of Medicaid Services (office);
- ▶ describes and provides for the qualifications, appointment, term of office, and removal of the Inspector General of Medicaid Services (inspector general);

HB0084S01 compared with HB0084

- ▶ describes the duties and powers of the inspector general and the office;
- ▶ requires the inspector general to enter into a memorandum of understanding with the Medicaid Fraud Control Unit of the attorney general's office (fraud unit);
- ▶ requires the office to annually select and review a representative sample of claims submitted for reimbursement under the state Medicaid program to determine whether fraud, waste, or abuse occurred;
- ▶ provides for the transfer of FTEs from the Department of ~~{Human Services}~~ Health to the governor's office to staff the office;
- ▶ establishes a process where the inspector general can order a hold on the payment of a claim for reimbursement submitted by a claimant if there is reasonable cause to believe that the claim, or payment of the claim, constitutes fraud, waste, or abuse, or is otherwise inaccurate;
- ▶ grants the office full access to records and employees when investigating or auditing the use or expenditure of Medicaid funds or the provision of services;
- ▶ requires the Department of Health, the Division of Health Care Financing, and others to fully cooperate with and support the inspector general and the office in fulfilling the duties of the inspector general and the office;
- ▶ prohibits a person from interfering with or impeding an investigation or audit of the office or fraud unit and from interfering with the content or conclusion of a report;
- ▶ grants subpoena power to the inspector general;
- ▶ requires a health care professional, a Medicaid provider, and a state or local government official or employee to report any Medicaid fraud, waste, or abuse of which they become aware;
- ▶ requires the inspector general to, on an annual basis, prepare a written report on the activities of the office for the preceding fiscal year, to provide the report to the governor, and to provide and present the report to the Executive Appropriations Committee of the Legislature;
- ▶ requires the provision of contract services to the office by the attorney general's office and the Division of Health Care Financing;
- ▶ classifies certain records relating to an investigation or audit by the office as protected; and

HB0084S01 compared with HB0084

- ▶ makes technical changes.

Money Appropriated in this Bill:

This bill appropriates as ongoing appropriations:

- ▶ to Department of Health - Executive Director's Operations:
 - from the General Fund, \$(~~{511}~~694, ~~{800}~~900);
 - from the Federal Fund, \$(1, ~~{041}~~037, ~~{900}~~000); and
 - from Revenue Transfers - Within Agency, \$(~~{285,200}~~81,500);
- ▶ to ~~{Department of Health - Health Care Financing}~~ Medicaid Mandatory Services:
 - from the General Fund, \$(~~{257}~~300, ~~{200}~~000); and
 - from the Federal Fund, \$(~~{257}~~519, ~~{200}~~100); and
- ▶ to Office of Inspector General of Medicaid Services:
 - from the General Fund, ~~{769}~~994, ~~{000}~~900;
 - from the Federal Fund, \$1, ~~{299}~~556, 100; and
 - from Revenue Transfers - Health, ~~{285,200}~~81,500.

Other Special Clauses:

This bill takes effect on July 1, 2011.

Utah Code Sections Affected:

AMENDS:

26-18-2.3, as last amended by Laws of Utah 2010, Chapter 149

26-18-3, as last amended by Laws of Utah 2010, Chapters 149, 323, 340, and 391

63G-2-305, as last amended by Laws of Utah 2010, Chapters 6, 113, and 247

63I-2-263, as last amended by Laws of Utah 2010, Chapter 224

ENACTS:

63M-12-101, Utah Code Annotated 1953

63M-12-102, Utah Code Annotated 1953

63M-12-201, Utah Code Annotated 1953

63M-12-202, Utah Code Annotated 1953

63M-12-203, Utah Code Annotated 1953

63M-12-204, Utah Code Annotated 1953

63M-12-205, Utah Code Annotated 1953

63M-12-206, Utah Code Annotated 1953

HB0084S01 compared with HB0084

63M-12-207, Utah Code Annotated 1953

63M-12-301, Utah Code Annotated 1953

63M-12-302, Utah Code Annotated 1953

63M-12-303, Utah Code Annotated 1953

63M-12-304, Utah Code Annotated 1953

63M-12-401, Utah Code Annotated 1953

63M-12-501, Utah Code Annotated 1953

63M-12-502, Utah Code Annotated 1953

63M-12-601, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section 26-18-2.3 is amended to read:

26-18-2.3. Division responsibilities -- Emphasis -- Periodic assessment.

(1) In accordance with the requirements of Title XIX of the Social Security Act and applicable federal regulations, the division is responsible for the effective and impartial administration of this chapter in an efficient, economical manner. The division shall:

(a) establish, on a statewide basis, a program to safeguard against unnecessary or inappropriate use of Medicaid services, excessive payments, and unnecessary or inappropriate hospital admissions or lengths of stay;

(b) deny any provider claim for services that fail to meet criteria established by the division concerning medical necessity or appropriateness; and

(c) place its emphasis on high quality care to recipients in the most economical and cost-effective manner possible, with regard to both publicly and privately provided services.

(2) The division shall implement and utilize cost-containment methods, where possible, which may include:

(a) prepayment and postpayment review systems to determine if utilization is reasonable and necessary;

(b) preadmission certification of nonemergency admissions;

(c) mandatory outpatient, rather than inpatient, surgery in appropriate cases;

(d) second surgical opinions;

(e) procedures for encouraging the use of outpatient services;

HB0084S01 compared with HB0084

(f) consistent with Sections 26-18-2.4 and 58-17b-606, a Medicaid drug program;

(g) coordination of benefits; and

(h) review and exclusion of providers who are not cost effective or who have abused the Medicaid program, in accordance with the procedures and provisions of federal law and regulation.

(3) The director of the division shall periodically assess the cost effectiveness and health implications of the existing Medicaid program, and consider alternative approaches to the provision of covered health and medical services through the Medicaid program, in order to reduce unnecessary or unreasonable utilization.

(4) The department shall ensure Medicaid program integrity by conducting internal audits of the Medicaid program for efficiencies, best practices, fraud, waste, abuse, and cost recovery~~], at least in proportion to the percent of funding for the program that comes from state funds]~~.

(5) The department shall, by December 31 of each year, report to the Health and Human Services Appropriations Subcommittee regarding:

(a) measures taken under this section to increase:

(i) efficiencies within the program; and

(ii) cost avoidance and cost recovery efforts in the program; and

(b) results of program integrity efforts under Subsection (4).

Section 2. Section 26-18-3 is amended to read:

26-18-3. Administration of Medicaid program by department -- Reporting to the Legislature -- Disciplinary measures and sanctions -- Funds collected -- Eligibility standards -- Internal audits -- Studies -- Health opportunity accounts.

(1) The department shall be the single state agency responsible for the administration of the Medicaid program in connection with the United States Department of Health and Human Services pursuant to Title XIX of the Social Security Act.

(2) (a) The department shall implement the Medicaid program through administrative rules in conformity with this chapter, Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the requirements of Title XIX, and applicable federal regulations.

(b) The rules adopted under Subsection (2)(a) shall include, in addition to other rules necessary to implement the program:

HB0084S01 compared with HB0084

(i) the standards used by the department for determining eligibility for Medicaid services;

(ii) the services and benefits to be covered by the Medicaid program; and

(iii) reimbursement methodologies for providers under the Medicaid program.

(3) (a) The department shall, in accordance with Subsection (3)(b), report to the Health and Human Services Appropriations Subcommittee when the department:

(i) implements a change in the Medicaid State Plan;

(ii) initiates a new Medicaid waiver;

(iii) initiates an amendment to an existing Medicaid waiver;

(iv) applies for an extension of an application for a waiver or an existing Medicaid waiver; or

(v) initiates a rate change that requires public notice under state or federal law.

(b) The report required by Subsection (3)(a) shall:

(i) be submitted to the Health and Human Services Appropriations Subcommittee prior to the department implementing the proposed change; and

(ii) include:

(A) a description of the department's current practice or policy that the department is proposing to change;

(B) an explanation of why the department is proposing the change;

(C) the proposed change in services or reimbursement, including a description of the effect of the change;

(D) the effect of an increase or decrease in services or benefits on individuals and families;

(E) the degree to which any proposed cut may result in cost-shifting to more expensive services in health or human service programs; and

(F) the fiscal impact of the proposed change, including:

(I) the effect of the proposed change on current or future appropriations from the Legislature to the department;

(II) the effect the proposed change may have on federal matching dollars received by the state Medicaid program;

(III) any cost shifting or cost savings within the department's budget that may result

HB0084S01 compared with HB0084

from the proposed change; and

(IV) identification of the funds that will be used for the proposed change, including any transfer of funds within the department's budget.

(4) (a) The Department of Human Services shall report to the Legislative Health and Human Services Appropriations Subcommittee no later than December 31, 2010 in accordance with Subsection (4)(b).

(b) The report required by Subsection (4)(a) shall include:

(i) changes made by the division or the department beginning July 1, 2010 that effect the Medicaid program, a waiver under the Medicaid program, or an interpretation of Medicaid services or funding, that relate to care for children and youth in the custody of the Division of Child and Family Services or the Division of Juvenile Justice Services;

(ii) the history and impact of the changes under Subsection (4)(b)(i);

(iii) the Department of Human Service's plans for addressing the impact of the changes under Subsection (4)(b)(i); and

(iv) ways to consolidate administrative functions within the Department of Human Services, the Department of Health, the Division of Child and Family Services, and the Division of Juvenile Justice Services to more efficiently meet the needs of children and youth with mental health and substance disorder treatment needs.

(5) Any rules adopted by the department under Subsection (2) are subject to review and reauthorization by the Legislature in accordance with Section 63G-3-502.

(6) The department may, in its discretion, contract with the Department of Human Services or other qualified agencies for services in connection with the administration of the Medicaid program, including:

(a) the determination of the eligibility of individuals for the program;

(b) recovery of overpayments; and

(c) consistent with Section 26-20-13, and to the extent permitted by law and quality control services, enforcement of fraud and abuse laws.

(7) The department shall provide, by rule, disciplinary measures and sanctions for Medicaid providers who fail to comply with the rules and procedures of the program, provided that sanctions imposed administratively may not extend beyond:

(a) termination from the program;

HB0084S01 compared with HB0084

(b) recovery of claim reimbursements incorrectly paid; and

(c) those specified in Section 1919 of Title XIX of the federal Social Security Act.

(8) Funds collected as a result of a sanction imposed under Section 1919 of Title XIX of the federal Social Security Act shall be deposited in the General Fund as dedicated credits to be used by the division in accordance with the requirements of Section 1919 of Title XIX of the federal Social Security Act.

(9) (a) In determining whether an applicant or recipient is eligible for a service or benefit under this part or Chapter 40, Utah Children's Health Insurance Act, the department shall, if Subsection (9)(b) is satisfied, exclude from consideration one passenger vehicle designated by the applicant or recipient.

(b) Before Subsection (9)(a) may be applied:

(i) the federal government must:

(A) determine that Subsection (9)(a) may be implemented within the state's existing public assistance-related waivers as of January 1, 1999;

(B) extend a waiver to the state permitting the implementation of Subsection (9)(a); or

(C) determine that the state's waivers that permit dual eligibility determinations for cash assistance and Medicaid are no longer valid; and

(ii) the department must determine that Subsection (9)(a) can be implemented within existing funding.

(10) (a) For purposes of this Subsection (10):

(i) "aged, blind, or disabled" shall be defined by administrative rule; and

(ii) "spend down" means an amount of income in excess of the allowable income standard that must be paid in cash to the department or incurred through the medical services not paid by Medicaid.

(b) In determining whether an applicant or recipient who is aged, blind, or disabled is eligible for a service or benefit under this chapter, the department shall use 100% of the federal poverty level as:

(i) the allowable income standard for eligibility for services or benefits; and

(ii) the allowable income standard for eligibility as a result of spend down.

(11) The department shall conduct internal audits of the Medicaid program ~~in proportion to at least the level of funding it receives from Medicaid to conduct internal audits~~.

HB0084S01 compared with HB0084

(12) In order to determine the feasibility of contracting for direct Medicaid providers for primary care services, the department shall:

(a) issue a request for information for direct contracting for primary services that shall provide that a provider shall exclusively serve all Medicaid clients:

- (i) in a geographic area;
- (ii) for a defined range of primary care services; and
- (iii) for a predetermined total contracted amount; and

(b) by February 1, 2011, report to the Health and Human Services Appropriations Subcommittee on the response to the request for information under Subsection (12)(a).

(13) (a) By December 31, 2010, the department shall:

(i) determine the feasibility of implementing a three year patient-centered medical home demonstration project in an area of the state using existing budget funds; and

(ii) report the department's findings and recommendations under Subsection (13)(a)(i) to the Health and Human Services Appropriations Subcommittee.

(b) If the department determines that the medical home demonstration project described in Subsection (13)(a) is feasible, and the Health and Human Services Appropriations Subcommittee recommends that the demonstration project be implemented, the department shall:

(i) implement the demonstration project; and

(ii) by December 1, 2012, make recommendations to the Health and Human Services Appropriations Subcommittee regarding the:

- (A) continuation of the demonstration project;
- (B) expansion of the demonstration project to other areas of the state; and
- (C) cost savings incurred by the implementation of the demonstration project.

(14) (a) The department may apply for and, if approved, implement a demonstration program for health opportunity accounts, as provided for in 42 U.S.C. Sec. 1396u-8.

(b) A health opportunity account established under Subsection (14)(a) shall be an alternative to the existing benefits received by an individual eligible to receive Medicaid under this chapter.

(c) Subsection (14)(a) is not intended to expand the coverage of the Medicaid program.

Section ~~41~~3. Section **63G-2-305** is amended to read:

HB0084S01 compared with HB0084

63G-2-305. Protected records.

The following records are protected if properly classified by a governmental entity:

(1) trade secrets as defined in Section 13-24-2 if the person submitting the trade secret has provided the governmental entity with the information specified in Section 63G-2-309;

(2) commercial information or nonindividual financial information obtained from a person if:

(a) disclosure of the information could reasonably be expected to result in unfair competitive injury to the person submitting the information or would impair the ability of the governmental entity to obtain necessary information in the future;

(b) the person submitting the information has a greater interest in prohibiting access than the public in obtaining access; and

(c) the person submitting the information has provided the governmental entity with the information specified in Section 63G-2-309;

(3) commercial or financial information acquired or prepared by a governmental entity to the extent that disclosure would lead to financial speculations in currencies, securities, or commodities that will interfere with a planned transaction by the governmental entity or cause substantial financial injury to the governmental entity or state economy;

(4) records the disclosure of which could cause commercial injury to, or confer a competitive advantage upon a potential or actual competitor of, a commercial project entity as defined in Subsection 11-13-103(4);

(5) test questions and answers to be used in future license, certification, registration, employment, or academic examinations;

(6) records the disclosure of which would impair governmental procurement proceedings or give an unfair advantage to any person proposing to enter into a contract or agreement with a governmental entity, except, subject to Subsections (1) and (2), that this Subsection (6) does not restrict the right of a person to have access to, once the contract or grant has been awarded, a bid, proposal, or application submitted to or by a governmental entity in response to:

(a) a request for bids;

(b) a request for proposals;

(c) a grant; or

HB0084S01 compared with HB0084

(d) other similar document;

(7) records that would identify real property or the appraisal or estimated value of real or personal property, including intellectual property, under consideration for public acquisition before any rights to the property are acquired unless:

(a) public interest in obtaining access to the information outweighs the governmental entity's need to acquire the property on the best terms possible;

(b) the information has already been disclosed to persons not employed by or under a duty of confidentiality to the entity;

(c) in the case of records that would identify property, potential sellers of the described property have already learned of the governmental entity's plans to acquire the property;

(d) in the case of records that would identify the appraisal or estimated value of property, the potential sellers have already learned of the governmental entity's estimated value of the property; or

(e) the property under consideration for public acquisition is a single family residence and the governmental entity seeking to acquire the property has initiated negotiations to acquire the property as required under Section 78B-6-505;

(8) records prepared in contemplation of sale, exchange, lease, rental, or other compensated transaction of real or personal property including intellectual property, which, if disclosed prior to completion of the transaction, would reveal the appraisal or estimated value of the subject property, unless:

(a) the public interest in access outweighs the interests in restricting access, including the governmental entity's interest in maximizing the financial benefit of the transaction; or

(b) when prepared by or on behalf of a governmental entity, appraisals or estimates of the value of the subject property have already been disclosed to persons not employed by or under a duty of confidentiality to the entity;

(9) records created or maintained for civil, criminal, or administrative enforcement purposes or audit purposes, or for discipline, licensing, certification, or registration purposes, if release of the records:

(a) reasonably could be expected to interfere with investigations undertaken for enforcement, discipline, licensing, certification, or registration purposes;

(b) reasonably could be expected to interfere with audits, disciplinary, or enforcement

HB0084S01 compared with HB0084

proceedings;

(c) would create a danger of depriving a person of a right to a fair trial or impartial hearing;

(d) reasonably could be expected to disclose the identity of a source who is not generally known outside of government and, in the case of a record compiled in the course of an investigation, disclose information furnished by a source not generally known outside of government if disclosure would compromise the source; or

(e) reasonably could be expected to disclose investigative or audit techniques, procedures, policies, or orders not generally known outside of government if disclosure would interfere with enforcement or audit efforts;

(10) records the disclosure of which would jeopardize the life or safety of an individual;

(11) records the disclosure of which would jeopardize the security of governmental property, governmental programs, or governmental recordkeeping systems from damage, theft, or other appropriation or use contrary to law or public policy;

(12) records that, if disclosed, would jeopardize the security or safety of a correctional facility, or records relating to incarceration, treatment, probation, or parole, that would interfere with the control and supervision of an offender's incarceration, treatment, probation, or parole;

(13) records that, if disclosed, would reveal recommendations made to the Board of Pardons and Parole by an employee of or contractor for the Department of Corrections, the Board of Pardons and Parole, or the Department of Human Services that are based on the employee's or contractor's supervision, diagnosis, or treatment of any person within the board's jurisdiction;

(14) records and audit workpapers that identify audit, collection, and operational procedures and methods used by the State Tax Commission, if disclosure would interfere with audits or collections;

(15) records of a governmental audit agency relating to an ongoing or planned audit until the final audit is released;

(16) records prepared by or on behalf of a governmental entity solely in anticipation of litigation that are not available under the rules of discovery;

(17) records disclosing an attorney's work product, including the mental impressions or

HB0084S01 compared with HB0084

legal theories of an attorney or other representative of a governmental entity concerning litigation;

(18) records of communications between a governmental entity and an attorney representing, retained, or employed by the governmental entity if the communications would be privileged as provided in Section 78B-1-137;

(19) (a) (i) personal files of a state legislator, including personal correspondence to or from a member of the Legislature; and

(ii) notwithstanding Subsection (19)(a)(i), correspondence that gives notice of legislative action or policy may not be classified as protected under this section; and

(b) (i) an internal communication that is part of the deliberative process in connection with the preparation of legislation between:

(A) members of a legislative body;

(B) a member of a legislative body and a member of the legislative body's staff; or

(C) members of a legislative body's staff; and

(ii) notwithstanding Subsection (19)(b)(i), a communication that gives notice of legislative action or policy may not be classified as protected under this section;

(20) (a) records in the custody or control of the Office of Legislative Research and General Counsel, that, if disclosed, would reveal a particular legislator's contemplated legislation or contemplated course of action before the legislator has elected to support the legislation or course of action, or made the legislation or course of action public; and

(b) notwithstanding Subsection (20)(a), the form to request legislation submitted to the Office of Legislative Research and General Counsel is a public document unless a legislator asks that the records requesting the legislation be maintained as protected records until such time as the legislator elects to make the legislation or course of action public;

(21) research requests from legislators to the Office of Legislative Research and General Counsel or the Office of the Legislative Fiscal Analyst and research findings prepared in response to these requests;

(22) drafts, unless otherwise classified as public;

(23) records concerning a governmental entity's strategy about collective bargaining or pending litigation;

(24) records of investigations of loss occurrences and analyses of loss occurrences that

HB0084S01 compared with HB0084

may be covered by the Risk Management Fund, the Employers' Reinsurance Fund, the Uninsured Employers' Fund, or similar divisions in other governmental entities;

(25) records, other than personnel evaluations, that contain a personal recommendation concerning an individual if disclosure would constitute a clearly unwarranted invasion of personal privacy, or disclosure is not in the public interest;

(26) records that reveal the location of historic, prehistoric, paleontological, or biological resources that if known would jeopardize the security of those resources or of valuable historic, scientific, educational, or cultural information;

(27) records of independent state agencies if the disclosure of the records would conflict with the fiduciary obligations of the agency;

(28) records of an institution within the state system of higher education defined in Section 53B-1-102 regarding tenure evaluations, appointments, applications for admissions, retention decisions, and promotions, which could be properly discussed in a meeting closed in accordance with Title 52, Chapter 4, Open and Public Meetings Act, provided that records of the final decisions about tenure, appointments, retention, promotions, or those students admitted, may not be classified as protected under this section;

(29) records of the governor's office, including budget recommendations, legislative proposals, and policy statements, that if disclosed would reveal the governor's contemplated policies or contemplated courses of action before the governor has implemented or rejected those policies or courses of action or made them public;

(30) records of the Office of the Legislative Fiscal Analyst relating to budget analysis, revenue estimates, and fiscal notes of proposed legislation before issuance of the final recommendations in these areas;

(31) records provided by the United States or by a government entity outside the state that are given to the governmental entity with a requirement that they be managed as protected records if the providing entity certifies that the record would not be subject to public disclosure if retained by it;

(32) transcripts, minutes, or reports of the closed portion of a meeting of a public body except as provided in Section 52-4-206;

(33) records that would reveal the contents of settlement negotiations but not including final settlements or empirical data to the extent that they are not otherwise exempt from

HB0084S01 compared with HB0084

disclosure;

(34) memoranda prepared by staff and used in the decision-making process by an administrative law judge, a member of the Board of Pardons and Parole, or a member of any other body charged by law with performing a quasi-judicial function;

(35) records that would reveal negotiations regarding assistance or incentives offered by or requested from a governmental entity for the purpose of encouraging a person to expand or locate a business in Utah, but only if disclosure would result in actual economic harm to the person or place the governmental entity at a competitive disadvantage, but this section may not be used to restrict access to a record evidencing a final contract;

(36) materials to which access must be limited for purposes of securing or maintaining the governmental entity's proprietary protection of intellectual property rights including patents, copyrights, and trade secrets;

(37) the name of a donor or a prospective donor to a governmental entity, including an institution within the state system of higher education defined in Section 53B-1-102, and other information concerning the donation that could reasonably be expected to reveal the identity of the donor, provided that:

(a) the donor requests anonymity in writing;

(b) any terms, conditions, restrictions, or privileges relating to the donation may not be classified protected by the governmental entity under this Subsection (37); and

(c) except for an institution within the state system of higher education defined in Section 53B-1-102, the governmental unit to which the donation is made is primarily engaged in educational, charitable, or artistic endeavors, and has no regulatory or legislative authority over the donor, a member of the donor's immediate family, or any entity owned or controlled by the donor or the donor's immediate family;

(38) accident reports, except as provided in Sections 41-6a-404, 41-12a-202, and 73-18-13;

(39) a notification of workers' compensation insurance coverage described in Section 34A-2-205;

(40) (a) the following records of an institution within the state system of higher education defined in Section 53B-1-102, which have been developed, discovered, disclosed to, or received by or on behalf of faculty, staff, employees, or students of the institution:

HB0084S01 compared with HB0084

- (i) unpublished lecture notes;
- (ii) unpublished notes, data, and information:
 - (A) relating to research; and
 - (B) of:
 - (I) the institution within the state system of higher education defined in Section 53B-1-102; or
 - (II) a sponsor of sponsored research;
 - (iii) unpublished manuscripts;
 - (iv) creative works in process;
 - (v) scholarly correspondence; and
 - (vi) confidential information contained in research proposals;
- (b) Subsection (40)(a) may not be construed to prohibit disclosure of public information required pursuant to Subsection 53B-16-302(2)(a) or (b); and
- (c) Subsection (40)(a) may not be construed to affect the ownership of a record;
- (41) (a) records in the custody or control of the Office of Legislative Auditor General that would reveal the name of a particular legislator who requests a legislative audit prior to the date that audit is completed and made public; and
 - (b) notwithstanding Subsection (41)(a), a request for a legislative audit submitted to the Office of the Legislative Auditor General is a public document unless the legislator asks that the records in the custody or control of the Office of Legislative Auditor General that would reveal the name of a particular legislator who requests a legislative audit be maintained as protected records until the audit is completed and made public;
- (42) records that provide detail as to the location of an explosive, including a map or other document that indicates the location of:
 - (a) a production facility; or
 - (b) a magazine;
- (43) information:
 - (a) contained in the statewide database of the Division of Aging and Adult Services created by Section 62A-3-311.1; or
 - (b) received or maintained in relation to the Identity Theft Reporting Information System (IRIS) established under Section 67-5-22;

HB0084S01 compared with HB0084

(44) information contained in the Management Information System and Licensing Information System described in Title 62A, Chapter 4a, Child and Family Services;

(45) information regarding National Guard operations or activities in support of the National Guard's federal mission;

(46) records provided by any pawn or secondhand business to a law enforcement agency or to the central database in compliance with Title 13, Chapter 32a, Pawnshop and Secondhand Merchandise Transaction Information Act;

(47) information regarding food security, risk, and vulnerability assessments performed by the Department of Agriculture and Food;

(48) except to the extent that the record is exempt from this chapter pursuant to Section 63G-2-106, records related to an emergency plan or program prepared or maintained by the Division of Homeland Security the disclosure of which would jeopardize:

(a) the safety of the general public; or

(b) the security of:

(i) governmental property;

(ii) governmental programs; or

(iii) the property of a private person who provides the Division of Homeland Security information;

(49) records of the Department of Agriculture and Food relating to the National Animal Identification System or any other program that provides for the identification, tracing, or control of livestock diseases, including any program established under Title 4, Chapter 24, Utah Livestock Brand and Anti-theft Act or Title 4, Chapter 31, Livestock Inspection and Quarantine;

(50) as provided in Section 26-39-501:

(a) information or records held by the Department of Health related to a complaint regarding a child care program or residential child care which the department is unable to substantiate; and

(b) information or records related to a complaint received by the Department of Health from an anonymous complainant regarding a child care program or residential child care;

(51) unless otherwise classified as public under Section 63G-2-301 and except as provided under Section 41-1a-116, an individual's home address, home telephone number, or

HB0084S01 compared with HB0084

personal mobile phone number, if:

(a) the individual is required to provide the information in order to comply with a law, ordinance, rule, or order of a government entity; and

(b) the subject of the record has a reasonable expectation that this information will be kept confidential due to:

(i) the nature of the law, ordinance, rule, or order; and

(ii) the individual complying with the law, ordinance, rule, or order;

(52) the name, home address, work addresses, and telephone numbers of an individual that is engaged in, or that provides goods or services for, medical or scientific research that is:

(a) conducted within the state system of higher education, as defined in Section 53B-1-102; and

(b) conducted using animals;

(53) an initial proposal under Title 63M, Chapter 1, Part 26, Government Procurement Private Proposal Program, to the extent not made public by rules made under that chapter;

(54) information collected and a report prepared by the Judicial Performance Evaluation Commission concerning a judge, unless Section 20A-7-702 or Title 78A, Chapter 12, Judicial Performance Evaluation Commission Act, requires disclosure of, or makes public, the information or report;

(55) (a) records of the Utah Educational Savings Plan created under Section 53B-8a-103 if the disclosure of the records would conflict with its fiduciary obligations;

(b) proposals submitted to the Utah Educational Savings Plan; and

(c) contracts entered into by the Utah Educational Savings Plan and the related payments;

(56) records contained in the Management Information System created in Section 62A-4a-1003;

(57) records provided or received by the Public Lands Policy Coordinating Office in furtherance of any contract or other agreement made in accordance with Section 63J-4-603;

(58) information requested by and provided to the Utah State 911 Committee under Section 53-10-602;

(59) recorded Children's Justice Center investigative interviews, both video and audio, the release of which are governed by Section 77-37-4; [and]

HB0084S01 compared with HB0084

(60) in accordance with Section 73-10-33:

(a) a management plan for a water conveyance facility in the possession of the Division of Water Resources or the Board of Water Resources; or

(b) an outline of an emergency response plan in possession of the state or a county or municipality[-];

(61) the following records in the custody or control of the Office of Inspector General of Medicaid Services, created in Section 63M-12-201:

(a) records that would disclose information relating to allegations of personal misconduct, gross mismanagement, or illegal activity of a person if the information or allegation cannot be corroborated by the Office of Inspector General of Medicaid Services through other documents or evidence, and the records relating to the allegation are not relied upon by the Office of Inspector General of Medicaid Services in preparing a final investigation report or final audit report;

(b) records and audit workpapers to the extent they would disclose the identity of a person who, during the course of an investigation or audit, communicated the existence of any Medicaid fraud, waste, or abuse, or a violation or suspected violation of a law, rule, or regulation adopted under the laws of this state, a political subdivision of the state, or any recognized entity of the United States, if the information was disclosed on the condition that the identity of the person be protected;

(c) before the time that an investigation or audit is completed and the final investigation or final audit report is released, records or drafts circulated to a person who is not an employee or head of a governmental entity for the person's response or information;

(d) records that would disclose an outline or part of any investigation, audit survey plan, or audit program; or

(e) requests for an investigation or audit, if disclosure would risk circumvention of an investigation or audit; and

(62) records that reveal methods used by the Office of Inspector General of Medicaid Services, the fraud unit, or the Department of Health, to discover Medicaid fraud, waste, or abuse.

Section ~~2~~4. Section **63I-2-263** is amended to read:

63I-2-263. Repeal dates, Title 63A to Title 63M.

HB0084S01 compared with HB0084

(1) Subsection 63G-1-401(5) is repealed on May 10, 2011.

(2) Sections 63M-12-206 and 63M-12-207 are repealed on December 31, 2011.

Section ~~3~~5. Section **63M-12-101** is enacted to read:

CHAPTER 12. OFFICE OF INSPECTOR GENERAL OF MEDICAID SERVICES

Part 1. General Provisions

63M-12-101. Title.

This chapter is known as "Office of Inspector General of Medicaid Services."

Section ~~4~~6. Section **63M-12-102** is enacted to read:

63M-12-102. Definitions.

As used in this chapter:

(1) "Abuse" means:

(a) an action or practice that:

(i) is inconsistent with sound fiscal, business, or medical practices; and

(ii) results, or may result, in unnecessary Medicaid related costs; or

(b) reckless or negligent upcoding.

(2) "Claimant" means a person that:

(a) provides a service; and

(b) submits a claim for Medicaid reimbursement for the service.

(3) "Department" means the Department of Health, created in Section 26-1-4.

(4) "Division" means the Division of Health Care Financing, created in Section 26-18-2.1.

(5) "Fraud" means intentional or knowing:

HB0084S01 compared with HB0084

(a) deception, misrepresentation, or upcoding in relation to Medicaid funds, costs, a claim, reimbursement, or services; ~~or~~

(b) a violation of a provision of Subsections 26-20-3 through 26-20-7.

(6) "Fraud unit" means the Medicaid Fraud ~~Control~~ Unit of the attorney general's office.

(7) "Health care professional" means a person licensed under:

(a) Title 58, Chapter 5a, Podiatric Physician Licensing Act;

(b) Title 58, Chapter 16a, Utah Optometry Practice Act;

(c) Title 58, Chapter 17b, Pharmacy Practice Act;

(d) Title 58, Chapter 24b, Physical Therapy Practice Act;

(e) Title 58, Chapter 31b, Nurse Practice Act;

(f) Title 58, Chapter 40, Recreational Therapy Practice Act;

(g) Title 58, Chapter 41, Speech-language Pathology and Audiology Licensing Act;

(h) Title 58, Chapter 42a, Occupational Therapy Practice Act;

(i) Title 58, Chapter 44a, Nurse Midwife Practice Act;

(j) Title 58, Chapter 49, Dietitian Certification Act;

(k) Title 58, Chapter 60, Mental Health Professional Practice Act;

(l) Title 58, Chapter 67, Utah Medical Practice Act;

(m) Title 58, Chapter 68, Utah Osteopathic Medical Practice Act;

(n) Title 58, Chapter 69, Dentist and Dental Hygienist Practice Act;

(o) Title 58, Chapter 70a, Physician Assistant Act; and

(p) Title 58, Chapter 73, Chiropractic Physician Practice Act.

(8) "Inspector general" means the inspector general of the office, appointed under Section 63M-12-201.

(9) "Office" means the Office of Inspector General of Medicaid Services, created in Section 63M-12-201.

(10) "Provider" means a person that provides:

(a) medical assistance, ~~including supplies or services~~, in exchange, ~~directly or indirectly~~, for Medicaid funds; or

(b) billing or recordkeeping services relating to Medicaid funds.

(11) "Upcoding" means assigning an inaccurate ~~evaluation and maintenance~~ ~~billing~~

HB0084S01 compared with HB0084

code for a service that is payable or reimbursable by Medicaid funds, if the correct ~~evaluation and maintenance~~ ~~billing~~ code for the service would result in a lower Medicaid payment or reimbursement.

(12) "Waste" means overutilization of resources or inappropriate payment.

Section ~~5~~7. Section **63M-12-201** is enacted to read:

Part 2. Office Duties and Powers

63M-12-201. Creation of office -- Inspector general -- Appointment -- Term.

(1) There is created, within the governor's office, the Office of Inspector General of Medicaid Services.

(2) The governor shall appoint the inspector general, with the advice and consent of the Senate.

(3) A person appointed as the inspector general shall:

(a) be a certified public accountant or a certified internal auditor; and

(b) have the following qualifications:

(i) a general knowledge of the specific methodology and controls necessary to audit, investigate, and identify Medicaid fraud, waste, and abuse;

(ii) strong management skills;

(iii) extensive knowledge of, and at least seven years experience with, performance audit methodology;

(iv) the ability to oversee and execute an audit;

(v) strong interpersonal skills; and

(vi) experience in making presentations to government officials.

(4) The inspector general:

(a) shall serve a term of six years; and

(b) may be removed by the governor, for cause.

(5) If the inspector general is removed for cause, a new inspector general shall be appointed, with the advice and consent of the Senate, to serve a six-year term.

Section ~~6~~8. Section **63M-12-202** is enacted to read:

63M-12-202. Duties and powers of inspector general and office.

(1) The inspector general shall:

(a) administer, direct, and manage the office;

HB0084S01 compared with HB0084

(b) inspect and monitor the following in relation to the state Medicaid program:

(i) the use and expenditure of federal and state funds;

(ii) the provision of health benefits and other services;

(iii) implementation of, and compliance with, state and federal requirements; and

(iv) records and recordkeeping procedures;

(c) receive reports of potential fraud, waste, or abuse in the state Medicaid program;

(d) investigate and identify potential or actual fraud, waste, or abuse in the state

Medicaid program;

(e) consult with the Centers for Medicaid and Medicare Services and other states to determine and implement best practices for discovering and eliminating fraud, waste, and abuse of Medicaid funds;

(f) obtain, develop, and utilize computer algorithms to identify fraud, waste, or abuse in the state Medicaid program;

(g) work closely with the fraud unit to identify and recover improperly or fraudulently expended Medicaid funds;

(h) audit, inspect, and evaluate the functioning of the division to ensure that the state Medicaid program is managed in the most efficient and cost-effective manner possible;

(i) regularly advise the department and the division of an action that should be taken to ensure that the state Medicaid program is managed in the most efficient and cost-effective manner possible;

(j) refer potential criminal conduct, relating to Medicaid funds or the state Medicaid program, to the fraud unit;

(k) determine ways to:

(i) identify, prevent, and reduce fraud, waste, and abuse in the state Medicaid program;

and

(ii) recoup costs, reduce costs, and avoid or minimize increased costs of the state Medicaid program;

(l) seek recovery of improperly paid Medicaid funds;

(m) track recovery of Medicaid funds by the state;

(n) in accordance with Section 63M-12-501:

(i) report on the actions and findings of the inspector general; and

HB0084S01 compared with HB0084

(ii) make recommendations to the Legislature and the governor;

(o) provide training to agencies and employees on identifying potential fraud, waste, or abuse of Medicaid funds; and

(p) develop and implement principles and standards for the fulfillment of the duties of the inspector general, based on principles and standards used by:

(i) the Federal Offices of Inspector General;

(ii) the Association of Inspector's General; and

(iii) the United States Government Accountability Office.

(2) The office may conduct a performance or financial audit of:

(a) a state executive branch entity or a local government entity, including an entity described in Subsection 63M-12-301(3), that:

(i) manages or oversees a state Medicaid program; or

(ii) manages or oversees the use or expenditure of state or federal Medicaid funds; or

(b) Medicaid funds received by a person by a grant from, or under contract with, a state executive branch entity or a local government entity.

(3) The inspector general may take a sworn statement or administer an oath.

Section ~~7~~9. Section **63M-12-203** is enacted to read:

63M-12-203. Memorandum of understanding with fraud unit.

The inspector general shall enter into a memorandum of understanding with the fraud unit to:

(1) formalize communication, cooperation, coordination of efforts, and the sharing of information, on a regular basis, between the office and the fraud unit;

(2) provide for reporting criminal activity discovered by the office to the fraud unit;

(3) ensure that investigations and other action by the office and the fraud unit do not conflict; and

(4) provide for the sharing and classification of records between the office and the fraud unit under the Government Records Access and Management Act.

Section ~~8~~10. Section **63M-12-204** is enacted to read:

63M-12-204. Selection and review of claims.

(1) On an annual basis, the office shall select and review a representative sample of claims submitted for reimbursement under the state Medicaid program to determine whether

HB0084S01 compared with HB0084

fraud, waste, or abuse occurred.

(2) The office may directly contact the recipient of record for a Medicaid reimbursed service to determine whether the service for which reimbursement was claimed was actually provided to the recipient of record.

(3) The office shall generate statistics from the sample described in Subsection (1) to determine the type of fraud, waste, or abuse that is most advantageous to focus on in future audits or investigations.

Section ~~{9}~~11. Section **63M-12-205** is enacted to read:

63M-12-205. Placement of hold on claims for reimbursement -- Injunction.

(1) The inspector general or the inspector general's designee may, without prior notice, order a hold on the payment of a claim for reimbursement submitted by a claimant if there is reasonable cause to believe that the claim, or payment of the claim, constitutes fraud, waste, or abuse, or is otherwise inaccurate.

(2) The office shall, within seven days after the day on which a hold described in Subsection (1) is ordered, notify the claimant that the hold has been placed.

(3) The inspector general or the inspector general's designee may not maintain a hold longer than is necessary to determine whether the claim, or payment of the claim, constitutes fraud, waste, or abuse, or is otherwise inaccurate.

(4) A claimant may, at any time during which a hold is in place, appeal the hold under Title 63G, Chapter 4, Administrative Procedures Act.

(5) If a claim is approved or denied before a hearing is held under Title 63G, Chapter 4, Administrative Procedures Act, the appeal shall be dismissed as moot.

(6) The inspector general may request that the attorney general's office seek an injunction to prevent a person from disposing of an asset that is potentially subject to recovery by the state to recover funds due to a person's fraud or abuse.

(7) The department and the division shall fully comply with a hold ordered under this section.

Section ~~{10}~~12. Section **63M-12-206** is enacted to read:

63M-12-206. Transfer of full-time equivalents to staff office.

The office shall be staffed by ~~{ transferring full-time equivalents to the office, as follows:~~

HB0084S01 compared with HB0084

~~(1)~~ transferring from the Office of Internal Audit and Program Integrity to the office all full-time equivalents for the following positions, as they existed and were organized within the Office of Internal Audit and Program Integrity on September 28, 2010, as shown in Appendix B of the Performance Audit of Utah Medicaid Provider Cost Control, dated December 2010 and published by the Office of the Legislative Auditor General:

~~(a)~~ the director of the Office of Internal Audit and Program Integrity;

~~(b)~~ the executive secretary to the director of the Office of Internal Audit and Program Integrity;

~~(c)~~ two positions of program manager of Program Integrity Post Payment Review;

~~(d)~~ all positions under the positions described in Subsection (1)(c), including:

~~(i)~~ a four RN III positions;

~~(ii)~~ b the position of RN III that was vacant on September 28, 2010;

~~(iii)~~ c the position of office specialist I that was vacant on September 28, 2010;

~~(iv)~~ d doctor (0.2 FTE);

~~(v)~~ e two positions of doctor (0.5 FTE each);

~~(vi)~~ f data HPS III;

~~(vii)~~ g the position of data HPS II that was vacant on September 28, 2010;

~~(viii)~~ h collections HPS II;

~~(ix)~~ i PERM Lead;

~~(x)~~ j PERM HPS II; and

~~(xi)~~ k PERM HPS II;

~~(e)~~ 5 the audit manager (~~other audits~~; performance audit); and

~~(f)~~ 6 all positions under the position described in Subsection ~~(1)(e)~~ 5, including:

~~(i)~~ a ~~four~~ two positions of Lead Auditor II; ~~and~~

~~(ii)~~ b ~~the position~~ two positions of Auditor II, including the one that was vacant on September 28, 2010; and

~~(2)~~ transferring from the division to the office three full-time equivalents for the following positions, as they existed and were organized within the Division of Health Care Financing on September 28, 2010:

~~(a)~~ financial analyst II;

~~(b)~~ actuarial specialist; and

HB0084S01 compared with HB0084

~~(c) health program specialist III.~~

~~Section 11}c) OIAS Support.~~

Section 13. Section **63M-12-207** is enacted to read:

63M-12-207. Filling of transferred positions.

The executive director of the department and the inspector general shall meet to determine which individuals, if any, who currently hold the positions represented by the full-time equivalents described in Section 63M-12-206, will fill positions in the office. Any disagreement regarding transferring of personnel shall be resolved by the governor.

Section ~~{12}~~14. Section **63M-12-301** is enacted to read:

Part 3. Investigation or Audit

63M-12-301. Access to records -- Retention of designation under Government Records Access and Management Act.

(1) In order to fulfill the duties described in Section 63M-12-202, the office shall have unrestricted access to all records of state executive branch entities, all local government entities, and all providers relating, directly or indirectly, to:

- (a) the state Medicaid program;
- (b) state or federal Medicaid funds;
- (c) the provision of Medicaid related services;
- (d) the regulation or management of any aspect of the state Medicaid program;
- (e) the use or expenditure of state or federal Medicaid funds;
- (f) suspected or proven fraud, waste, or abuse of state or federal Medicaid funds;
- (g) Medicaid program policies, practices, and procedures;
- (h) monitoring of Medicaid services or funds; or
- (i) a fatality review of a person who received Medicaid funded services.

(2) The office shall have access to information in any database maintained by the state or a local government to verify identity, income, employment status, or other factors that affect eligibility for Medicaid services.

(3) The records described in Subsections (1) and (2) include records held or maintained by the department, the division, the Department of Human Services, the Department of Workforce Services, a local health department, a local mental health authority, or a school district. The records described in Subsection (1) include records held or maintained by a

HB0084S01 compared with HB0084

provider.

(4) A record, described in Subsection (1) or (2), that is accessed or copied by the office:

(a) may be reviewed or copied by the office during normal business hours; and

(b) if it is a government record, shall retain the classification made by the entity responsible for the record, under Title 63G, Chapter 2, Government Records Access and Management Act.

Section ~~13~~15. Section **63M-12-302** is enacted to read:

63M-12-302. Access to employees -- Cooperating with investigation or audit.

(1) The office shall have access to interview the following persons if the inspector general determines that the interview may assist the inspector general in fulfilling the duties described in Section 63M-12-202:

(a) a state executive branch official, executive director, director, or employee;

(b) a local government official or employee;

(c) a consultant or contractor of a person described in Subsection (1)(a) or (b); or

(d) a provider or an employee of a provider.

(2) A person described in Subsection (1) and each supervisor of the person shall fully cooperate with the office by:

(a) providing the office or the inspector general's designee with access to interview the person;

(b) completely and truthfully answering questions asked by the office or the inspector general's designee;

(c) providing the records, described in Subsection 63M-12-301(1), requested by the office or the inspector general's designee; and

(d) providing the office or the inspector general's designee with information relating to the office's investigation or audit.

(3) A person described in Subsection (1)(a) or (b) and each supervisor of the person shall fully cooperate with the office by:

(a) providing records requested by the office or the inspector general's designee; and

(b) providing the office or the inspector general's designee with information relating to the office's investigation or audit, including information that is classified as private, controlled,

HB0084S01 compared with HB0084

or protected under Title 63G, Chapter 2, Government Records Access and Management Act.

Section ~~{14}~~16. Section **63M-12-303** is enacted to read:

63M-12-303. Cooperation and support.

The department, the division, each consultant or contractor of the department or division, and each provider shall provide its full cooperation and support to the inspector general and the office in fulfilling the duties of the inspector general and the office.

Section ~~{15}~~17. Section **63M-12-304** is enacted to read:

63M-12-304. Interference with an investigation or audit prohibited.

No person may:

- (1) interfere with or impede an investigation or audit of the office or fraud unit; or
- (2) interfere with the office relative to the content of a report, the conclusions reached in a report, or the manner of disclosing the results and findings of the office.

Section ~~{16}~~18. Section **63M-12-401** is enacted to read:

Part 4. Subpoena Power

63M-12-401. Subpoena power -- Enforcement.

(1) The inspector general has the power to issue a subpoena to obtain a record or interview a person that the office or inspector general has the right to access under Part 3, Investigation or Audit.

(2) A person who fails to comply with a subpoena issued by the inspector general or who refuses to testify regarding a matter upon which the person may be lawfully interrogated:

- (a) is in contempt of the inspector general; and
- (b) upon request by the inspector general, the attorney general shall:
 - (i) file a motion for an order to compel obedience to the subpoena with the district court;

(ii) file, with the district court, a motion for an order to show cause why the penalties established in Title 78B, Chapter 6, Part 3, Contempt, should not be imposed upon the person named in the subpoena for contempt of the inspector general; or

(iii) pursue other legal remedies against the person.

(3) Upon receipt of a motion under Subsection (2), the court:

- (a) shall expedite the hearing and decision on the motion; and
- (b) may:

HB0084S01 compared with HB0084

(i) order the person named in the subpoena to comply with the subpoena; and

(ii) impose any penalties authorized by Title 78B, Chapter 6, Part 3, Contempt, upon the person named in the subpoena for contempt of the inspector general.

(4) (a) If a subpoena described in this section requires the production of accounts, books, papers, documents, or other tangible items, the person or entity to whom it is directed may petition a district court to quash or modify the subpoena at or before the time specified in the subpoena for compliance.

(b) The inspector general may respond to a motion to quash or modify the subpoena by pursuing any remedy authorized by Subsection (3).

(c) If the court finds that a subpoena requiring the production of accounts, books, papers, documents, or other tangible items is unreasonable or oppressive, the court may quash or modify the subpoena.

(5) Nothing in this section prevents the inspector general from seeking an extraordinary writ to remedy contempt of the inspector general.

(6) Any party aggrieved by a decision of a court under this section may appeal that decision directly to the Utah Supreme Court.

Section ~~{17}~~19. Section **63M-12-501** is enacted to read:

Part 5. Reporting

63M-12-501. Duty to report potential Medicaid fraud to the office or fraud unit.

(1) A health care professional, a provider, or a state or local government official or employee who becomes aware of fraud, waste, or abuse shall report the fraud, waste, or abuse to the office or the fraud unit.

(2) A person who makes a report under Subsection (1) may request that the person's name not be released in connection with the investigation.

(3) If a request is made under Subsection (2), the person's identity may not be released to any person or entity other than the office, the **fraud** unit, or law enforcement, unless a court of competent jurisdiction orders that the person's identity be released.

Section ~~{18}~~20. Section **63M-12-502** is enacted to read:

63M-12-502. Report and recommendations to governor and Executive Appropriations Committee.

(1) The inspector general shall, on an annual basis, prepare a written report on the

HB0084S01 compared with HB0084

activities of the office for the preceding fiscal year.

(2) The report shall include:

(a) non-identifying information, including statistical information, on:

(i) the items described in Subsection 63M-12-202(1)(b) and Section 63M-12-204;

(ii) action taken by the office and the result of that action;

(iii) fraud, waste, and abuse in the state Medicaid program;

(iv) the recovery of fraudulent or improper use of state and federal Medicaid funds;

(v) measures taken by the state to discover and reduce fraud, waste, and abuse in the

state Medicaid program;

(vi) audits conducted by the office; and

(vii) investigations conducted by the office and the results of those investigations;

(b) recommendations on action that should be taken by the Legislature or the governor

to:

(i) improve the discovery and reduction of fraud, waste, and abuse in the state

Medicaid program;

(ii) improve the recovery of fraudulently or improperly used Medicaid funds; and

(iii) reduce costs and avoid or minimize increased costs in the state Medicaid program;

(c) recommendations relating to rules, policies, or procedures of a state or local

government entity; and

(d) services provided by the state Medicaid program that exceed industry standards.

(3) The report described in Subsection (1) may not include any information that would interfere with or jeopardize an ongoing criminal investigation or other investigation.

(4) The inspector general shall provide the report described in Subsection (1) to the Executive Appropriations Committee of the Legislature and to the governor on or before October 1 of each year.

(5) The inspector general shall present the report described in Subsection (1) to the Executive Appropriations Committee of the Legislature before November 30 of each year.

Section 21. Section 63M-12-601 is enacted to read:

Part 6. Miscellaneous Provisions

63M-12-601. Provision of contract services to Office of Inspector General of Medicaid Services.

HB0084S01 compared with HB0084

(1) The division and the assistant attorneys general assigned to the division shall provide, without charge, contract review, contract enforcement, and other contract management services to the office.

(2) The division shall ensure that the services described in Subsection (1) are provided in an expeditious manner.

(3) The attorney general shall designate one of the assistant attorneys general assigned to the division to give first priority to providing the services described in Subsection (1) to the office.

(4) The office and the division shall enter into a memorandum of understanding in order to execute the requirements of this section in an effective and efficient manner.

Section ~~{19}~~22. **Appropriation.**

~~{As ongoing appropriations, beginning in the 2011-12 fiscal year}~~Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the following {appropriations are made:} sums of money are appropriated from resources not otherwise appropriated out of the funds or accounts indicated for the fiscal year beginning July 1, 2011 and ending June 30, 2012. These are additions to amounts previously appropriated for fiscal year 2012.

Item 1 To Department of Health - Executive Director's Operations

<u>From General Fund</u>	\$(511,694,800) <u>900</u>
<u>From Federal Fund</u>	\$(1,041,037,900) <u>000</u>
<u>From Revenue Transfers - Within Agency</u>	\$(285,200) <u>81,500</u>

Schedule of Programs:

<u>Internal Audit and Program Integrity</u>	\$(1,838) <u>813,900</u> <u>400</u>
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Item 2 To ~~{Department of Health - Health Care Financing}~~Medicaid Mandatory Services

<u>From General Fund</u>	\$(257,300) <u>200</u> <u>000</u>
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HB0084S01 compared with HB0084

From Federal Fund ~~\$(257,519)~~
200,100

Schedule of Programs:

~~Financial~~ Other Mandatory Services ~~±~~
~~±\$(514,819)~~
±400,100

Item 3 To Office of Inspector General of Medicaid Services

From General Fund ~~(\$769)~~\$994
~~±000~~±900

From Federal Fund ~~\$1,299~~556
100

From Revenue Transfers - Health ~~±\$285,200~~\$
81,500

Schedule of Programs:

Office of Inspector General of Medicaid Services ~~\$2,353,300~~
632,500

Section ~~20~~23. **Effective date.**

This bill takes effect on July 1, 2011.

±

Legislative Review Note

as of ~~1-26-11~~ 9:22 AM

Office of Legislative Research and General Counsel