



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 993

PRINTERS NO. 3903

PRIME SPONSOR: Murt

COST / (SAVINGS)

FUND	FY 2014/15	FY 2015/16
General Fund	See Fiscal Impact	See Fiscal Impact

SUMMARY: House Bill 993, Printer's Number 3903 changes the name of the Department of Public Welfare to the Department of Human Services, provides for a transition period for the name change and requires the department to establish a toll-free telephone number and email address to report suspected fraud or abuse of public assistance programs. This legislation is effective in 60 days.

ANALYSIS: This legislation amends the Public Welfare Code to change the name of the Department of Public Welfare to the Department of Human Services. Any reference to DPW in statute or regulation will be deemed a reference to the Department of Human Services.

In order to provide an efficient and cost-minimizing transition, licenses, contracts, deeds and any other official action of the Department of Public Welfare will not be affected by the use of the designation of the department as the Department of Human Services. The department is permitted to continue to use the name Department of Public Welfare on badges, licenses, contracts, deeds, stationary and any other official documents until existing supplies are exhausted. The department is further permitted to substitute the title "Department of Human Services" for the "Department of Public Welfare" on its documents and materials on such schedule as it deems appropriate.

The department may not replace existing signage at department locations with the re-designated name until the signs are worn and in need of replacement. This transition must be coordinated with changes in administration. Additionally, the department must continue to use the name Department of Public Welfare on its computer systems until routine upgrades are made in each computer system, at which time the change in the name shall be made.

The department must also establish a toll-free telephone number, 1-866-DHS-TIPS, and an email address to report suspected fraud or abuse of public assistance programs, including, but not limited to, medical assistance, cash assistance and food stamps. The department must conduct a thorough investigation of all credible complaints or provide a referral to the Office of the Inspector General (OIG) for investigation, whether pertaining to a benefit recipient or a provider.

The department shall submit an annual report on fraud prevention activities to the Governor and General Assembly including the number of complaints received, investigations conducted by the department and the OIG, criminal prosecutions and civil actions resulting from such investigations and the estimated total cost avoided and funds reclaimed from these investigations. The report must also be available to the public on the department's website.

Owners, managers and providers who operate a business or medical facility who accept food stamps or medical assistance as a form of payment for goods or services must post a sign containing information regarding the toll-free fraud tip line that is no smaller than 8 ½ by 11 inches and no larger than 1 by 2 feet. The department must design the sign and make it available on their website for owners, managers and providers to print. Failure to post the sign may result in a warning for the first violation, a penalty not to exceed \$250 for another violation within one year of receiving a warning and a penalty of up to \$500 for another violation within one year of receiving monetary penalty. If the business or medical facility is subject to licensure by the Commonwealth, the department shall refer the complaint to the appropriate licensing agency for investigation and enforcement. The penalties collected remain with the department or the state licensing agency initiating the enforcement action.

FISCAL IMPACT: Under the bill, the Commonwealth is required to update and/or replace all references to the Department of Public Welfare with the Department of Human Services. Changes would include, but not be limited to, stationary, badges, consumer education and public awareness materials, forms, publications, information technology programs/software and signs. The department has estimated total state costs to be approximately \$1 million. However, as a result of the gradual implementation, it is expected that the department could absorb any costs related to the name change within existing budgets until the transition is complete.

In addition, the department already maintains a toll-free telephone number and email address to report suspected fraud and abuse and investigates cases or provides referrals to the Office of the Inspector General, therefore there is no significant fiscal impact anticipated relating to this section of the legislation.

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House Appropriations Committee (R)

DATE: September 15, 2014

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.