
 THE GENERAL ASSEMBLY OF PENNSYLVANIA

 HOUSE BILL

 No. 960 Session of
2011

INTRODUCED BY GINGRICH, AUMENT, BAKER, BARRAR, BEAR, BENNINGHOFF, BOBACK, BOYD, BROOKS, CAUSER, CLYMER, D. COSTA, CREIGHTON, CUTLER, DENLINGER, ELLIS, EVANKOVICH, EVERETT, FLECK, GABLER, GEIST, GIBBONS, GILLEN, GILLESPIE, GODSHALL, GOODMAN, GRELL, GROVE, HAHN, HALUSKA, HARHART, HARPER, HARRIS, HEFFLEY, HESS, HICKERNELL, HUTCHINSON, KAUFFMAN, M. K. KELLER, KNOWLES, KORTZ, KRIEGER, LAWRENCE, MAJOR, MARSHALL, MARSICO, MASSER, METCALFE, MILLARD, MILLER, MILNE, MOUL, MURT, MUSTIO, OBERLANDER, O'NEILL, PAYNE, PERRY, PETRI, PICKETT, PYLE, QUIGLEY, QUINN, RAPP, READSHAW, REED, REICHLEY, ROAE, ROCK, ROSS, SAYLOR, SCAVELLO, SCHRODER, K. SMITH, SONNEY, STERN, STEVENSON, STURLA, SWANGER, TALLMAN, TOBASH, TOEPEL, TOOHIL, VULAKOVICH, WATSON, ADOLPH, FARRY, DELOZIER, MALONEY, STEPHENS AND CALTAGIRONE, MARCH 7, 2011

SENATOR VANCE, PUBLIC HEALTH AND WELFARE, IN SENATE, AS AMENDED, JUNE 8, 2011

AN ACT

1 Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An
2 act to consolidate, editorially revise, and codify the public
3 welfare laws of the Commonwealth," providing for fraud
4 detection system ~~and~~, for income eligibility verification ←
5 system AND FOR INMATE MEDICAL COSTS. ←

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. The act of June 13, 1967 (P.L.31, No.21), known
9 as the Public Welfare Code, is amended by adding sections to
10 read:

11 Section 422.1. Fraud Detection System.--Within six months of
12 the effective date of this section, the department shall

1 establish uniform procedures for each county to use to identify,
2 investigate and resolve potential cases of fraud,
3 misrepresentation or inadequate documentation prior to
4 determining an applicant's eligibility for assistance. The
5 procedures shall ensure that every case is reviewed. Each review ←
6 shall include utilization of APPLY TO ALL APPLICANTS AND ←
7 RECIPIENTS OF ASSISTANCE. PROCEDURES SHALL UTILIZE the income
8 eligibility verification system established in section 432.23.

9 Section 432.23. ~~Income Eligibility~~ Verification System.--(a) ←
10 The department shall establish a computerized income eligibility
11 verification system ~~in order~~ to verify eligibility, eliminate ←
12 duplication of assistance and deter fraud. Prior to awarding
13 assistance under section 432.2(b) or continuing assistance under
14 section 432.2(c), the department shall match the social security
15 number of each applicant and recipient with the following:

16 (1) Unearned income information maintained by the Internal
17 Revenue Service.

18 (2) Employer quarterly reports of income and unemployment
19 insurance benefit payment information maintained by the State
20 Wage Information Collection Agency.

21 (3) Earned income information maintained by the Social
22 Security Administration.

23 (4) Immigration status information maintained by the
24 Citizenship and Immigration Services.

25 (5) Death register information maintained by the Social
26 Security Administration.

27 (6) Prisoner information maintained by the Social Security
28 Administration.

29 (7) Public housing and section 8 payment information
30 maintained by the Department of Housing and Urban Development.

1 (8) National fleeing felon information maintained by the
2 Federal Bureau of Investigation.

3 (9) Wage reporting and similar information maintained by
4 states contiguous to this Commonwealth.

5 (10) Beneficiary Data Exchange (BENDEX) Title H database
6 maintained by the Social Security Administration.

7 (11) Beneficiary Earnings Exchange Report (BEER) database
8 maintained by the Social Security Administration.

9 (12) State New Hire database maintained by the Commonwealth.

10 (13) National New Hire database maintained by the Federal
11 Government.

12 (14) State Data Exchange (SDX) database maintained by the
13 Social Security Administration.

14 (15) Veterans Benefits and Veterans Medical (PARIS)
15 maintained by the Department of Veterans Affairs with
16 coordination through the Department of Health and Human
17 Services.

18 (16) Day care subsidy payments maintained by the
19 Commonwealth.

20 (17) Low-Income Energy Assistance Program Reporting Utility
21 Expenses maintained by the Commonwealth.

22 (18) A database which is substantially similar to or a
23 successor of a database set forth in this subsection.

24 (19) The database of all persons who currently hold a
25 license, permit or certificate from a Commonwealth agency the
26 cost of which exceeds one thousand dollars (\$1,000).

27 (b) If a discrepancy results between the applicant's or a
28 recipient's social security number and one or more of the
29 databases set forth in subsection (a), the department shall
30 review the applicant's or recipient's case using the following

1 procedure:

2 (1) If the information discovered under subsection (a) does
3 not result in ineligibility or modification of the amount or
4 type of assistance, the department shall take no further action.

5 (2) If the information discovered under subsection (a) would
6 result in ineligibility or modification of the amount or type of
7 assistance, the applicant or the recipient shall be given an ←
8 opportunity to explain the discrepancy. The department shall
9 provide written notice to the applicant or recipient which shall
10 describe in sufficient detail the circumstances of the
11 discrepancy, the manner in which the applicant or recipient may ←
12 respond OPPORTUNITY FOR A HEARING OR REVIEW and the consequences ←
13 of failing to take action. The applicant or recipient shall have
14 ten business days to respond in an attempt WRITING to resolve ←
15 the discrepancy. The explanation of the recipient or applicant ←
16 shall be given in writing. After receiving the explanation, the
17 department may request additional documentation if it determines ←
18 that there is a substantial risk of fraud AS NECESSARY. ←

19 (3) If the applicant or recipient does not respond to the
20 notice, the department shall deny assistance for failure to ←
21 cooperate, in which case the. THE department shall provide ←
22 WRITTEN notice of intent to discontinue assistance. Eligibility ←
23 for assistance shall not be reestablished until the significant ←
24 discrepancy has been resolved APPLICANT OR RECIPIENT COMPLIES ←
25 WITH PARAGRAPH (2).

26 (4) If an applicant or recipient responds to the notice and ←
27 OR disagrees with the findings of the A match between his or her ←
28 social security number and one or more database A DATABASE UNDER ←
29 SUBSECTION (A), the department shall reinvestigate the matter.
30 If the department finds that DETERMINES there has been an error, ←

1 ~~the department shall take immediate action to correct it and no~~ ←
2 ~~further action shall be taken~~ CORRECT THE ERROR. If, after ←
3 ~~investigation, the department determines that there is no error,~~
4 ~~the department shall determine the effect on the applicant's or~~
5 ~~recipient's case and take appropriate action. Written notice of~~ ←
6 ~~the department's action shall be given to the applicant or~~
7 ~~recipient.~~

8 (5) If the applicant or recipient agrees with the findings
9 of the match between the applicant's or recipient's social
10 security number and one or more database, the department shall
11 determine the effect on the applicant's or recipient's case and
12 ~~take appropriate action. Written notice of the department's TAKE~~ ←
13 APPROPRIATE ACTION.

14 (6) WRITTEN NOTICE OF THE DEPARTMENT'S action UNDER ←
15 PARAGRAPH (4) OR (5) shall be given to the applicant or
16 recipient.

17 ~~(e) In no case shall the department discontinue or modify~~ ←
18 ~~the amount or type of assistance as a result of a match between~~
19 ~~the applicant's or recipient's social security number and one or~~
20 ~~more database until the applicant or recipient has been given~~
21 ~~notice of the discrepancy and the opportunity to respond.~~

22 ~~(d)~~ (C) No later than one year after the effective date of ←
23 this section and every year thereafter, the department shall
24 provide a written report to the Governor, the General Assembly
25 and the Inspector General detailing the results achieved under ←
26 OF THE IMPLEMENTATION OF this section and the amount of case ←
27 closures and savings that resulted.

28 ~~(e)~~ (D) As used in this section, the following words and ←
29 phrases shall have the meanings given to them in this
30 subsection:

1 "Discrepancy" means information regarding assets, income,
2 resources or status of an applicant or recipient of assistance,
3 derived from one or more of the database in A DATABASE UNDER ←
4 subsection (a), which gives the department grounds to suspect ←
5 THAT INDICATES that either: ←

6 (i) an applicant or recipient is ineligible to receive
7 assistance under Federal or State law; or

8 (ii) the assets, income or resources of an applicant or
9 recipient are at least, in terms of a dollar amount, ten percent
10 greater than the dollar amount reflected in the information the
11 department possesses about the applicant or recipient with
12 respect to the applicant's or recipient's assets, income or
13 resources.

14 "Status" means the applicant or recipient is in the United ←
15 States illegally, is no longer living, is an inmate in a prison
16 or jail or is a fleeing felon.

17 ~~Section 2. This act shall take effect immediately.~~

18 SECTION 2. THE ACT IS AMENDED BY ADDING AN ARTICLE TO READ: ←

19 ARTICLE XIV-A

20 INMATE MEDICAL COSTS

21 SECTION 1401-A. DEFINITIONS.

22 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE
23 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
24 CONTEXT CLEARLY INDICATES OTHERWISE:

25 "CORRECTIONAL INSTITUTION." A STATE OR COUNTY CORRECTIONAL
26 INSTITUTION OR JAIL, GROUP HOME, PRERELEASE CENTER, COMMUNITY
27 CORRECTIONS CENTER, PAROLE CENTER OR FACILITY THAT HOUSES A
28 PERSON CONVICTED OF A CRIMINAL OFFENSE OR AWAITING TRIAL,
29 SENTENCING OR EXTRADITION IN A CRIMINAL PROCEEDING. THE TERM
30 DOES NOT INCLUDE A FACILITY OR INSTITUTION OPERATED, SUPERVISED

1 OR LICENSED UNDER THIS ACT.

2 "DRUG." THE TERM SHALL MEAN:

3 (1) SUBSTANCES RECOGNIZED IN THE OFFICIAL UNITED STATES
4 PHARMACOPEIA, OR OFFICIAL NATIONAL FORMULARY, OR SUPPLEMENT
5 TO EITHER OF THEM.

6 (2) SUBSTANCES INTENDED FOR USE IN THE DIAGNOSIS, CURE,
7 MITIGATION, TREATMENT OR PREVENTION OF DISEASE IN MAN OR
8 OTHER ANIMALS.

9 (3) SUBSTANCES, OTHER THAN FOOD, INTENDED TO AFFECT THE
10 STRUCTURE OR FUNCTION OF THE HUMAN BODY OR OTHER ANIMAL BODY.

11 (4) SUBSTANCES INTENDED FOR USE AS A COMPONENT OF AN
12 ARTICLE SPECIFIED IN PARAGRAPH (1), (2) OR (3), BUT NOT
13 INCLUDING DEVICES OR THEIR COMPONENTS, PARTS OR ACCESSORIES.

14 "HEALTH CARE FACILITY." A HEALTH CARE FACILITY AS DEFINED
15 UNDER SECTION 802.1 OF THE ACT OF JULY 19, 1979 (P.L.130,
16 NO.48), KNOWN AS THE HEALTH CARE FACILITIES ACT, OR AN ENTITY
17 LICENSED AS A HOSPITAL UNDER THIS ACT.

18 "HEALTH CARE PROVIDER." A HEALTH CARE FACILITY OR A PERSON,
19 INCLUDING A CORPORATION, UNIVERSITY OR OTHER EDUCATIONAL
20 INSTITUTION, LICENSED OR APPROVED BY THE COMMONWEALTH TO PROVIDE
21 HEALTH CARE OR PROFESSIONAL MEDICAL SERVICES. THE TERM SHALL
22 INCLUDE A PHYSICIAN, CERTIFIED NURSE MIDWIFE, PODIATRIST,
23 CERTIFIED REGISTERED NURSE PRACTITIONER, PHYSICIAN ASSISTANT,
24 CHIROPRACTOR, HOSPITAL, AMBULATORY SURGERY CENTER, NURSING HOME
25 OR BIRTH CENTER.

26 "INMATE." A PERSON COMMITTED TO A TERM OF IMPRISONMENT OR
27 OTHERWISE CONFINED UNDER THE CUSTODY OF A STATE OR COUNTY
28 CORRECTIONAL INSTITUTION.

29 "INPATIENT CARE." THE PROVISION OF MEDICAL, NURSING,
30 COUNSELING OR THERAPEUTIC SERVICES 24 HOURS A DAY IN A HOSPITAL

1 OR OTHER HEALTH CARE FACILITY, ACCORDING TO INDIVIDUALIZED
2 TREATMENT PLANS.

3 "MEDICARE." THE FEDERAL PROGRAM ESTABLISHED UNDER TITLE
4 XVIII OF THE SOCIAL SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1395
5 ET SEQ.).

6 "OUTPATIENT CARE." THE PROVISION OF MEDICAL, NURSING,
7 COUNSELING OR THERAPEUTIC SERVICES IN A HOSPITAL OR OTHER HEALTH
8 CARE FACILITY ON A REGULAR AND PREDETERMINED SCHEDULE ACCORDING
9 TO INDIVIDUALIZED TREATMENT PLANS.

10 "PRESCRIPTION." A WRITTEN OR ORAL ORDER ISSUED BY A DULY
11 LICENSED MEDICAL PRACTITIONER IN THE COURSE OF HIS PROFESSIONAL
12 PRACTICE FOR A CONTROLLED SUBSTANCE, OTHER DRUG OR DEVICE OR
13 MEDICATION WHICH IS DISPENSED FOR USE BY A CONSUMER.

14 SECTION 1402-A. INMATE MEDICAL COST CONTAINMENT.

15 (A) INPATIENT CARE.--A HEALTH CARE PROVIDER WHO PROVIDES
16 INPATIENT CARE TO AN INMATE SHALL NOT CHARGE THE STATE OR COUNTY
17 CORRECTIONAL INSTITUTION OR ITS MEDICAL SERVICES CONTRACTOR MORE
18 THAN THE MAXIMUM ALLOWABLE RATE PAYABLE FOR THE GOODS, SERVICES
19 AND SUPPLIES UNDER THE MEDICAL ASSISTANCE PROGRAM. THIS
20 SUBSECTION SHALL INCLUDE GOODS AND SERVICES FURNISHED BY THE
21 HEALTH CARE PROVIDER TO THE INMATE, INCLUDING THE COST OF
22 MEDICATIONS AND PRESCRIPTION DRUGS.

23 (B) OUTPATIENT CARE.--A HEALTH CARE PROVIDER WHO PROVIDES
24 OUTPATIENT CARE TO AN INMATE SHALL NOT CHARGE THE STATE OR
25 COUNTY CORRECTIONAL INSTITUTION OR ITS MEDICAL SERVICES
26 CONTRACTOR MORE THAN THE MAXIMUM ALLOWABLE RATE PAYABLE FOR
27 GOODS, SERVICES AND SUPPLIES UNDER THE MEDICARE PROGRAM. THIS
28 SUBSECTION INCLUDES GOODS AND SERVICES FURNISHED BY THE HEALTH
29 CARE PROVIDER TO THE INMATE, INCLUDING THE COST OF MEDICATIONS
30 AND PRESCRIPTION DRUGS.

1 (C) LIMITATION.--NOTHING IN THIS ARTICLE SHALL BE CONSTRUED
2 TO PREVENT A HEALTH CARE PROVIDER FROM CONTRACTING WITH A
3 CORRECTIONAL INSTITUTION TO PROVIDE OUTPATIENT CARE TO INMATES
4 AT RATES HIGHER THAN THOSE ESTABLISHED BY THIS ARTICLE.

5 SECTION 3. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

6 (1) THE ADDITION OF ARTICLE XIV-A OF THE ACT SHALL TAKE
7 EFFECT IN 60 DAYS.

8 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT
9 IMMEDIATELY.