

## SB 61 STAFF MEASURE SUMMARY

### Senate Committee On Health Care

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**Meeting Dates:** 2/25

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#### WHAT THE MEASURE DOES:

Prohibits the Oregon Health Authority (OHA) and its contractors, when auditing Medicaid providers, from recovering reimbursement on the basis that a patient visit did not occur, if the provider submits documentation verifying that the patient visit occurred.

#### DETAILED SUMMARY:

- Allows providers to submit documentation of visits or services provided, including treatment or service plans, clinical assessments, chart or progress notes, patient attestation, documentation of referrals to other providers, or prescriptions written during the visit.
- Allows OHA to recover, for a billing code error for a behavioral health service, only the difference between the amount of the reimbursement paid and the amount that would have been paid if the visit had been coded properly.
- Prohibits OHA from making recovery based on an extrapolated error rate unless OHA or its contractor conducts a new sampling of at least 15 percent of the provider's claims and finds an error rate consistent with the error rate found in the initial sample.
- Applies to audits of claims for visits or services provided on or after January 1, 2019. Declares emergency, effective on passage.

Fiscal impact: May have fiscal impact, statement not yet issued.

Revenue impact: May have revenue impact, statement not yet issued.

#### ISSUES DISCUSSED:

##### EFFECT OF AMENDMENT:

No amendment.

##### BACKGROUND:

Federal law requires each state to set up a system to catch billing mistakes in its Medicaid program. 42 U.S.C. 1396a(a)(42)(B). States are directed to contract with auditors to recover reimbursement in cases of overpayment. Contractors are paid on a contingent basis, to be determined by each state, for collecting overpayments. 42 CFR Part 455.

Senate Bill 61 prohibits the Oregon Health Authority and its contractors from recovering reimbursement for visits or claims for which providers submit documentation.