

4384--B

2011-2012 Regular Sessions

I N   S E N A T E

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Introduced by Sens. RANZENHOFER, ADDABBO, DeFRANCISCO, YOUNG, ZELDIN -- read twice and ordered printed, and when printed to be committed to the Committee on Health -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public health law, in relation to establishing the Medicaid identification and anti-fraud biometric technology program; and to amend the social services law, in relation to conforming medical assistance identification with the Medicaid identification and anti-fraud biometric technology program

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. The public health law is amended by adding a new article  
2     2-B to read as follows:

3                                     ARTICLE 2-B

4                     MEDICAID IDENTIFICATION AND ANTI-FRAUD BIOMETRIC  
5                                     TECHNOLOGY PROGRAM

6     SECTION 290. MEDICAID IDENTIFICATION AND ANTI-FRAUD BIOMETRIC TECHNOLOGY  
7                     PROGRAM.

8             291. DEFINITIONS.

9             292. BIOMETRIC TECHNOLOGY USE REQUIREMENT.

10            293. RULES AND REGULATIONS.

11     S 290. MEDICAID IDENTIFICATION AND ANTI-FRAUD BIOMETRIC TECHNOLOGY  
12     PROGRAM. THERE IS HEREBY ESTABLISHED IN THE DEPARTMENT THE MEDICAID  
13     IDENTIFICATION AND ANTI-FRAUD BIOMETRIC TECHNOLOGY PROGRAM.

14     S 291. DEFINITIONS. AS USED IN THIS ARTICLE:

15     1. "BIOMETRIC TECHNOLOGY" MEANS TECHNOLOGY THAT MEASURES AND ANALYZES  
16     BIOLOGICAL DATA, INCLUDING BUT NOT LIMITED TO DNA, FINGER IMAGING,  
17     VASCULAR PATTERNS, EYE RETINAS AND IRISES, VOICE PATTERNS, FACIAL  
18     PATTERNS AND HAND MEASUREMENTS, FOR AUTHENTICATION PURPOSES.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 2. "BIOMETRIC VERIFICATION DEVICE" MEANS A DEVICE CAPABLE OF USING  
2 BIOMETRIC VERIFICATION TECHNOLOGY TO VERIFY THE IDENTITY OF A MEDICAID  
3 RECIPIENT OR PROVIDER.

4 S 292. BIOMETRIC TECHNOLOGY USE REQUIREMENT. 1. THE DEPARTMENT, IN  
5 CONSULTATION WITH THE OFFICE OF THE MEDICAID INSPECTOR GENERAL AND THE  
6 OFFICE OF THE ATTORNEY GENERAL, SHALL DEVELOP A REQUEST FOR PROPOSALS TO  
7 IMPLEMENT A PROGRAM REQUIRING THE USE OF BIOMETRIC TECHNOLOGY BY HOSPI-  
8 TALS, CLINICS AND PHARMACIES, FOR THE PURPOSES OF PATIENT AND PROVIDER  
9 IDENTIFICATION AND FOR USE AS AN ANTI-FRAUD APPLICATION IN THE MEDICAID  
10 PROGRAM.

11 2. SUCH REQUEST FOR PROPOSALS SHALL INCLUDE AT A MINIMUM THAT (A)  
12 MEDICAID RECIPIENTS AND PROVIDERS SHALL PROVIDE BIOMETRIC PROOF OF THEIR  
13 IDENTITY ALONG WITH OTHER INFORMATION DEEMED NECESSARY BY THE COMMIS-  
14 SIONER.

15 (B) SUCH PROGRAM WILL BE CAPABLE OF STORING BIOMETRIC MARKERS AND A  
16 LOG OF DOCTOR AND PHARMACY VISITS FOR EACH SERVICE BILLED TO THE MEDI-  
17 CAID PROGRAM.

18 (C) MEDICAID IDENTIFICATION SHALL BE ISSUED TO AND ACCEPTED BY THE  
19 ADMITTING STAFF OF HEALTH CARE FACILITIES, MEDICAL STAFF PROVIDING  
20 SERVICE TO MEDICAID RECIPIENTS AND PHARMACY STAFF.

21 (D) MEDICAID RECIPIENTS SHALL BE REQUIRED TO PROVIDE BIOMETRIC PROOF  
22 OF IDENTIFY AT THE TIME OF EACH VISIT TO A DOCTORS OFFICE OR CLINIC AT  
23 THE POINT OF ACTUALLY BEING SEEN BY THE DOCTOR OR CLINICAL STAFF, AND  
24 SHALL AGAIN PROVIDE PROOF OF IDENTITY UPON COMPLETION OF CARE OR  
25 SERVICES.

26 (E) BIOMETRIC VERIFICATION DEVICES SHALL BE USED IN PHARMACIES TO  
27 VERIFY THE IDENTITY OF THE MEDICAID RECIPIENT AND THE VALIDITY OF THE  
28 MEDICAID COVERAGE PRIOR TO OR IN CONJUNCTION WITH FILLING A  
29 PRESCRIPTION.

30 (F) PROVISIONS SHALL BE INCLUDED FOR EMERGENCY SERVICES OR  
31 PRESCRIPTIONS AND ALTERNATE IDENTIFICATION METHODS FOR MEDICAID RECIPI-  
32 ENTS PHYSICALLY OR MENTALLY UNABLE TO PROVIDE BIOMETRIC IDENTIFICATION.

33 (G) FRAUD PREVENTION MARKERS INCORPORATED INTO SOFTWARE WHICH SHALL BE  
34 USED TO OPERATE THE HARDWARE COMPONENT OF THE BIOMETRIC TECHNOLOGY SHALL  
35 PREVENT AND/OR REJECT THE PAYMENT BY THE MEDICAID PROGRAM AND ALERT THE  
36 SERVICE PROVIDER AT POINT OF SERVICE IF FRAUD OR POTENTIAL FRAUD IS  
37 IDENTIFIED BY THE BIOMETRIC TECHNOLOGY SYSTEM.

38 (H) PROVISIONS SHALL BE INCLUDED TO ENSURE THAT MEDICAID RECIPIENTS  
39 HAVE ACCESS TO EMERGENCY HEALTH SERVICES IN THE CASE OF A BIOMETRIC  
40 TECHNOLOGY SYSTEM MALFUNCTION OR FRAUD DETECTION ALARM.

41 3. SUCH REQUEST FOR PROPOSALS SHALL SET FORTH REQUIREMENTS AS TO THE  
42 RESULTS AND GOALS TO BE ACHIEVED, RATHER THAN SPECIFIC TECHNICAL METHODS  
43 OR SYSTEMS, TO ALLOW CONSIDERATION OF THE WIDEST POSSIBLE CHOICE OF  
44 AVAILABLE TECHNOLOGY.

45 4. SUCH REQUEST FOR PROPOSALS SHALL REQUIRE THAT THE PROGRAM SHALL BE  
46 REVENUE NEUTRAL FROM INCEPTION, WHEREBY ANY PROGRAM COSTS ARE AT LEAST  
47 OFFSET BY STATE MEDICAID SAVINGS, AND SHALL HAVE AS A PRIMARY GOAL  
48 REDUCTION OF MEDICAID EXPENDITURES THROUGH ELIMINATION OF FRAUD AND  
49 ABUSE.

50 5. (A) SUCH REQUEST FOR PROPOSALS FOR THE IMPLEMENTATION OF A PROGRAM  
51 FOR BIOMETRIC TECHNOLOGY USE SHALL BE PUBLISHED ON OR BEFORE JANUARY  
52 FIFTEENTH, TWO THOUSAND TWELVE, AND SHALL PROVIDE THAT PROPOSALS SHALL  
53 BE OPENED ON OR BEFORE MARCH FIRST, TWO THOUSAND TWELVE.

54 (B) THE COMMISSIONER SHALL REPORT TO THE GOVERNOR, THE TEMPORARY PRES-  
55 IDENT OF THE SENATE AND THE SPEAKER OF THE ASSEMBLY ON OR BEFORE MARCH  
56 THIRTIETH, TWO THOUSAND TWELVE WITH REGARD TO THE PROGRESS MADE IN THE

1 DEVELOPMENT OF CRITERIA FOR A PROGRAM OF BIOMETRIC IDENTIFICATION AND OF  
2 THE IMPLEMENTATION OF SUCH PROGRAM.

3 S 293. RULES AND REGULATIONS. THE COMMISSIONER IS AUTHORIZED AND  
4 DIRECTED TO PROMULGATE SUCH RULES AND REGULATIONS AS HE OR SHE MAY DEEM  
5 NECESSARY OR APPROPRIATE TO EFFECTUATE THE PURPOSES OF THIS ARTICLE.

6 S 2. Subdivision 1 of section 367-b of the social services law, as  
7 added by chapter 639 of the laws of 1976, is amended to read as follows:

8 1. The department, IN CONSULTATION WITH THE COMMISSIONER OF HEALTH,  
9 shall design and implement a statewide medical assistance information  
10 and payments system for the purpose of providing individual and aggre-  
11 gate data to social services districts to assist them in making basic  
12 management decisions, to the department and other state agencies to  
13 assist in the administration of the medical assistance program, and to  
14 the governor and the legislature as may be necessary to assist in making  
15 major administrative and policy decisions affecting such program. Such  
16 system shall be designed so as to be capable of the following:

17 a. receiving and processing information relating to the eligibility of  
18 each person applying for medical assistance and of issuing a medical  
19 assistance identification card, AND WHEN AVAILABLE UTILIZING THE BIOME-  
20 TRIC IDENTIFICATION ISSUED BY THE DEPARTMENT OF HEALTH, CONFORMING TO  
21 THE REQUIREMENTS SET FORTH IN THE MEDICAID IDENTIFICATION AND ANTI-FRAUD  
22 BIOMETRIC TECHNOLOGY PROGRAM ESTABLISHED PURSUANT TO ARTICLE TWO-B OF  
23 THE PUBLIC HEALTH LAW to persons determined by a social services offi-  
24 cial to be eligible for such assistance;

25 b. ACTIVATING MEDICAL ASSISTANCE IDENTIFICATION BY REQUIRING AN  
26 APPLICANT RECEIVING SUCH IDENTIFICATION FROM THE DEPARTMENT TO HAVE IT  
27 VERIFIED AT A SOCIAL SERVICES DISTRICT OFFICE IN THE SOCIAL SERVICES  
28 DISTRICT IN WHICH THE APPLICANT RESIDES;

29 C. receiving and processing information relating to each qualified  
30 provider of medical assistance furnishing care, services or supplies for  
31 which claims for payment are made pursuant to this title;

32 [c.] D. receiving and processing, in a form and manner prescribed by  
33 the department, all claims for medical care, services and supplies, and  
34 making payments for valid claims to providers of medical care, services  
35 and supplies on behalf of social services districts; AND

36 [d.] E. maintaining information necessary to allow the department,  
37 consistent with the powers and duties of the department of health, to  
38 review the appropriateness, scope and duration of medical care, services  
39 and supplies provided to any eligible person pursuant to this chapter[;  
40 and

41 e. initiating implementation of such a system for the district  
42 comprising the city of New York, in a manner compatible with expansion  
43 of such system to districts other than the district comprising the city  
44 of New York].

45 S 3. This act shall take effect immediately.