

HOUSE BILL No. 1589

DIGEST OF INTRODUCED BILL

Citations Affected: IC 12-8-3.5; IC 12-14-30.

Synopsis: Eligibility for Medicaid and SNAP. Establishes eligibility and verification requirements that are in addition to any other requirements for the Medicaid program and the federal Supplemental Nutrition Assistance Program (SNAP). Provides that before providing assistance to an individual, who is not presumptively eligible, under the Medicaid program or SNAP, the office of the secretary shall verify eligibility information of the individual. Provides that on at least a quarterly basis, the office of the secretary shall receive and review information concerning individuals enrolled in the Medicaid program and SNAP that indicates a change in circumstances that may affect eligibility. Provides that the division of family resources shall assign certain SNAP participants to workforce programs. Provides that the division shall require an individual to cooperate with the child support enforcement program as a condition of SNAP eligibility.

Effective: July 1, 2019.

DeVon

January 22, 2019, read first time and referred to Committee on Ways and Means.



First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1589

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 12-8-3.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2019]:

4 **Chapter 3.5. Medicaid and SNAP Eligibility Verification**

5 **Sec. 1. (a) The eligibility and verification requirements in this**
6 **chapter are in addition to any other requirements for the Medicaid**
7 **program and SNAP.**

8 **(b) Nothing in this chapter shall be construed to conflict with or**
9 **supersede a federal requirement for the Medicaid program or**
10 **SNAP.**

11 **Sec. 2. (a) This section does not apply to an individual who has**
12 **been granted presumptive eligibility under IC 12-15-2.**

13 **(b) Before providing assistance to an individual under the**
14 **Medicaid program or SNAP, the office of the secretary shall verify**
15 **eligibility information of the individual. The information verified**
16 **by the office of the secretary must include the following:**

17 **(1) Earned and unearned income.**



(2) Employment status and changes in employment.

(3) Immigration status.

(4) Residency status, including a nationwide best address source to verify individuals are residents of the state.

(5) Enrollment status in other state administered public assistance programs.

(6) Financial resources.

(7) Incarceration status.

(8) Death records.

(9) Enrollment status in public assistance programs in other states.

(10) Potential identity fraud or identity theft.

(c) The office of the secretary may sign a memorandum of understanding with another state agency to collect information required in subsection (b).

(d) The office of the secretary may contract with one (1) or more contractors to provide information required in subsection (b). The cost of any annual contract entered under this subsection may not exceed the estimated annualized savings to the state.

(e) The office of the secretary may receive, review, and verify additional information related to eligibility not required in this section or from contracting with one (1) or more contractors to provide additional information not required in this section.

Sec. 3. (a) On at least a quarterly basis, the office of the secretary shall receive and review information concerning individuals enrolled in the Medicaid program and SNAP that indicates a change in circumstances that may affect eligibility. The information provided to the office of the secretary must include the following:

(1) Earned and unearned income.

(2) Employment status and changes in employment.

(3) Residency status.

(4) Enrollment status in other state administered public assistance programs.

(5) Financial resources.

(6) Incarceration status.

(7) Death records.

(8) Lottery winnings.

(9) Enrollment status in public assistance programs outside of Indiana.

(b) The office of the secretary may sign a memorandum of understanding with any state agency for information required in



subsection (a).

(c) The office of the secretary may contract with one (1) or more contractors to provide information required in subsection (a). The cost of any annual contract entered under this subsection may not exceed the estimated annualized savings to the state.

(d) The office of the secretary shall investigate the benefits of joining a multistate cooperative to identify individuals who are also enrolled in public assistance programs outside of Indiana, including the National Accuracy Clearinghouse.

(e) The office of the secretary may receive, review, and verify additional information related to eligibility not required in this section or from contracting with one (1) or more contractors to provide additional information not required in this section.

(f) If the office of the secretary receives information concerning an individual enrolled in the Medicaid program or SNAP that indicates a change in circumstances that may affect eligibility, the office of the secretary shall review the individual's case using the following procedures:

(1) If the information does not result in the office of the secretary finding a discrepancy or change in an individual's circumstances that may affect eligibility, the office of the secretary may not take further action against the individual.

(2) If the information results in the office of the secretary finding a discrepancy or change in an individual's circumstances that may affect eligibility:

(A) the office of the secretary shall promptly make a redetermination of eligibility after receiving the information; and

(B) the individual shall be given an opportunity to explain the discrepancy.

However, a self declaration by an applicant or recipient may not be accepted as verification.

(3) The office of the secretary shall provide written notice to the individual that describes in sufficient detail:

(A) the circumstances of the discrepancy or change;

(B) the manner in which the applicant or recipient may respond; and

(C) the consequences of failing to respond.

The applicant or recipient must be given ten (10) business days to respond in an attempt to resolve the discrepancy or change. The explanation provided by the recipient or applicant must be in writing. After receiving the explanation,



the office of the secretary may request additional documentation if the office determines that there is risk of fraud, misrepresentation, or inadequate documentation.

(4) If the individual does not respond to the notice, the office of the secretary shall suspend assistance for failure to cooperate, in which case the office of the secretary shall provide notice of intent to suspend assistance. Eligibility for assistance may not be established or reestablished until the discrepancy or change has been resolved.

(5) If an individual responds to the notice and disagrees with the findings, the office of the secretary shall reinvestigate the matter. If the office of the secretary finds that there has been an error, the office of the secretary shall take immediate action to correct the error and not take further action against the individual. If, after an investigation, the office of the secretary determines that there is not an error, the office of the secretary shall determine the effect on the individual's case and take appropriate action. Written notice of the office of the secretary's action must be given to the individual.

(6) If the individual agrees with the findings, the office of the secretary shall determine the effect on the individual's case and take appropriate action. Written notice of the office of the secretary's action must be given to the individual. However, the office of the secretary may not suspend assistance if a discrepancy or change in circumstances is found until after the individual has been given notice of the discrepancy and the opportunity to respond as required under this section.

Sec. 4. In cases of suspected fraud, the office of the secretary shall provide information obtained under sections 2 and 3 of this chapter to the attorney general, county prosecutor, or Medicaid fraud control unit.

Sec. 5. The office of the secretary shall adopt rules under IC 4-22-2 that are necessary to carrying out this chapter.

Sec. 6. (a) Before January 1 of each year, the office of the secretary shall prepare a report detailing the impact of sections 2 and 3 of this chapter, including:

- (1) the number of cases reviewed;
- (2) the number of cases closed;
- (3) the number of fraud investigation referrals; and
- (4) the amount of savings and cost avoidance that have resulted from implementation of this chapter.

(b) The report prepared in subsection (a) must be submitted to



1 the legislative council and the governor. The report to the
2 legislative council must be in an electronic format under IC 5-14-6.

3 SECTION 2. IC 12-14-30-5 IS ADDED TO THE INDIANA CODE
4 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
5 1, 2019]: **Sec. 5. The division shall assign an individual who is**
6 **subject to the requirements under 7 U.S.C. 2015(d)(1), but is not:**

7 **(1) subject to the requirements under 7 U.S.C. 2015(o); or**

8 **(2) participating in an employment and training program**
9 **established under 7 U.S.C. 2015(d)(4);**

10 **to a workfare program established under 7 U.S.C. 2029.**

11 SECTION 3. IC 12-14-30-6 IS ADDED TO THE INDIANA CODE
12 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
13 1, 2019]: **Sec. 6. Subject to 7 CFR 273.11(o) and 7 CFR 273.11(p),**
14 **the division shall require an individual to cooperate with the child**
15 **support enforcement program as a condition of eligibility.**

