

AMENDMENTS TO HOUSE BILL NO. 842

Sponsor: REPRESENTATIVE GROVE

Printer's No. 2167

1 Amend Bill, page 1, lines 13 through 16; page 2, lines 1
2 through 9; by striking out all of said lines on said pages and
3 inserting

4 "Commonwealth agency." A board, commission or department of
5 the executive branch under the policy supervision and
6 jurisdiction of the Governor. The term does not include any of
7 the following:

- 8 (1) The Treasury Department.
- 9 (2) The Department of the Auditor General.
- 10 (3) The Office of Attorney General.

11 "Improper payment." A payment that should not have been made
12 by a Commonwealth agency or a contractor with a Commonwealth
13 agency under statutory, contractual, administrative or other
14 legal applicable requirements, including any of the following:

- 15 (1) An overpayment.
- 16 (2) An underpayment.
- 17 (3) A payment to an ineligible recipient.
- 18 (4) A payment for an ineligible service.
- 19 (5) A payment for a duplicative or redundant service.
- 20 (6) A payment for services not received.
- 21 (7) A payment for goods and services that does not
22 utilize or was not given available discounts.

23 "Payment." A payment, including a commitment for a future
24 payment, that is made by a Commonwealth agency or a contractor
25 with a Commonwealth agency and utilizes Federal or State money.

26 Amend Bill, page 4, by inserting between lines 15 and 16

27 Section 4. Assessment of improper payments.

28 (a) Assessment.--No less than once every two years, a
29 Commonwealth agency shall conduct an assessment of improper
30 payments on any program which is not required under Federal law.
31 A Commonwealth agency shall conduct an initial assessment of
32 improper payments no later than 120 days after the effective
33 date of this section.

34 (b) Contents.--As part of the assessment under subsection
35 (a), a Commonwealth agency shall:

- 36 (1) Determine whether the programs operated by the

1 Commonwealth agency have a low, moderate or high risk of
2 resulting in improper payments based on each program's total
3 amount of improper payments in dollars and total improper
4 payments as a percentage of each program's total
5 expenditures.

6 (2) Explain the reasons why the programs operated by the
7 Commonwealth have been assessed as having a low, moderate or
8 high risk of resulting in improper payments.

9 (3) Discover and report the root causes of improper
10 payments within high-risk programs.

11 (4) Utilize statistical sampling and extrapolation to
12 calculate an improper payment error rate for high-risk
13 programs.

14 (5) Adopt a corrective action plan to reduce improper
15 payment error rates to no more than 3% for high-risk programs
16 for the next occurring biennial assessment.

17 (c) Copies.--A Commonwealth agency shall provide an
18 electronic copy of the assessment under subsection (a) to all of
19 the following:

20 (1) The Secretary of the Budget.

21 (2) The Office of the Inspector General.

22 (3) The Department of the Auditor General.

23 (4) The Independent Fiscal Office.

24 (5) Members of the General Assembly.

25 Section 5. Public information on payments and programs of
26 Commonwealth agencies.

27 The Office of the Budget shall maintain a publicly accessible
28 Internet website and update the website to inform the public of,
29 at a minimum, all of the following information:

30 (1) Each Commonwealth agency's biennial improper payment
31 assessments.

32 (2) Each Commonwealth agency's total improper payments
33 in dollar value and total improper payment error rate.

34 (3) Each Commonwealth agency's high-risk program, the
35 dollar value of improper payments for each high-risk program
36 and the improper payment error rate percentage for each high-
37 risk program.

38 (4) Each Commonwealth agency's high-risk program
39 corrective action plan and a summary status of completing the
40 corrective action plan.

41 (5) The recovery of improper payments for each program
42 in total dollars and by percentage.

43 Amend Bill, page 4, line 16, by striking out "4" and
44 inserting

45 6

46 Amend Bill, page 4, line 23, by striking out "5" and
47 inserting

1 7

2 Amend Bill, page 5, line 3, by striking out "6" and inserting

3 8