RELATING TO OVERPAYMENTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAI'I:

SECTION 1. Section 346-44, Hawaii Revised Statutes, is amended to read as follows:

"§346-44 Recovery of public assistance overpayments. (a) All overpayments of public assistance funds, including but not limited to overissuances of financial assistance, food stamp bonuses under a food stamp plan, medicaid assistance, and incorrect vendor payments in behalf of a recipient, shall constitute a debt due and owing to the department by the recipient of such overpayments. [¶]

(b) Any action to recover overpayment of public assistance funds under this section shall be made within [ ] years from the date of payment to the vendor or recipient; provided that in addition to the remedies elsewhere prescribed in this chapter for the recovery of assistance fraudulently obtained, recovery of all overpayments will be made to the extent allowable by federal regulations."
(c) The department shall adopt and enforce such rules and regulations as may be necessary to effect the maximum recovery of public assistance overpayments, including but not limited to the reduction of future public assistance grants. Departmental rules and regulations for the recovery of overpayments shall prescribe procedures for recourse to the civil courts when required, the filing of liens against the real property of overpaid recipients, and the filing of claims against the estate of a deceased recipient who has received overpayments which have not been recovered.

(d) Nothing in this section shall preclude the director from adopting procedures for waiving the recovery of overpayments in cases of bona fide hardship or where the costs of recovery would exceed the amount expected to be recovered."

SECTION 2. Section 346-59.6, Hawaii Revised Statutes, is amended to read as follows:

"§346-59.6 Medicaid overpayment recovery. (a) The director shall recover medicaid overpayments made to providers.

(b) Medicaid overpayments shall be recovered due to a provider's ineligibility, noncovered service, noncovered drug,
lack of prior authorization when a service requires one, incorrect payment allowance identified through any post payment review, or claims processing error.

(c) The director may recover overpayments through recoupment, tax offset under sections 231-51 to 231-59, and circuit court judgment. [Nothing]

(d) Any action to recover medicaid overpayments under this section shall be made within ________ years from the date of payment to the provider.

(e) Notwithstanding subsection (d), nothing in this section shall limit the director's authority to recover overpayments through all other lawful means.”

SECTION 3. This Act does not affect rights that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.
Report Title:
Medicaid; Public Assistance; Funds; Overpayment Recovery; Time Limit; Statute of Limitations

Description:
Establishes unspecified time limits in which the Director of Human Services (DHS) can recover Medicaid overpayments made to providers and DHS can recover public assistance overpayments made to recipients, under certain circumstances.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.