

Medicaid Managed Care Organizations Must Maintain Special Investigative Units

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A managed care organization (MCO) that provides or arranges for the provision of health-care services under Texas Medicaid must establish and maintain a Special Investigative Unit (SIU) that works in cooperation with the Texas Health and Human Services Commission (HHSC) Office of Inspector General (OIG) and the Attorney General's Office Medicaid Fraud Control Unit (OAG-MFCU), as required by Texas Government Code §§533.012, 531.113, and 531.1131 and Title 1 Texas Administrative Code (TAC) §§353.501-353.505 and 370.501-370.505.

An MCO SIU must refer a case to both the HHSC-OIG and OAG-MFCU in the following situations:

- When fraud, waste, or abuse is discovered in Medicaid or the Children's Health Insurance Program (CHIP), the MCO SIU must immediately notify the HHSC-OIG and OAG-MFCU and begin payment recovery efforts, unless the HHSC-OIG or OAG-MFCU notifies the MCO to stop the recovery effort, as provided in Texas Government Code §531.1131.
- When possible fraud, waste, or abuse are discovered in the Medicaid or CHIP programs, the MCO SIU must refer the alleged fraud or abuse to HHSC-OIG within 30 working days of completing a review.
- When there is reason to believe that a delay in the referral may result in harm or death to patients, loss, destruction, or alteration of valuable evidence, significant monetary loss that may not be recoverable, or hindrance of an investigation or criminal prosecution of the offense, the MCO SIU must refer the alleged fraud or abuse to the HHSC-OIG.

For more information, call the TMHP Contact Center at 1-800-925-9126.