

As Introduced

**136th General Assembly
Regular Session
2025-2026**

H. B. No. 795

Representative Williams

To enact sections 5164.40, 5164.401, 5164.402, 1
5164.403, 5164.404, 5164.405, and 5164.406 of 2
the Revised Code to require the Department of 3
Medicaid to establish electronic verification 4
systems that promote program integrity for 5
certain components of the Medicaid program and 6
to name this act the Safeguarding Healthcare 7
Integrity through Electronic Location Data 8
(SHIELD) Act. 9

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 5164.40, 5164.401, 5164.402, 10
5164.403, 5164.404, 5164.405, and 5164.406 of the Revised Code 11
be enacted to read as follows: 12

Sec. 5164.40. As used in sections 5164.40 to 5164.406 of 13
the Revised Code: 14

(A) "Breadcrumb location data" means data that provides a 15
geographical position during a designated time period allowing 16
the movements of a user to be tracked. 17

(B) "Electronic verification system" means an electronic 18
system capable of recording and verifying data elements related 19
to the delivery of health care services covered by the medicaid 20

program. 21

(C) "GPS-based verification" means real-time satellite 22
location data that can be used to confirm the physical presence 23
of a person or device in a specified location. 24

(D) "Nonemergency medical transportation" means 25
transportation for which immediate response is not needed for 26
the provision of medical treatment and is provided to a medicaid 27
recipient in accordance with 42 C.F.R. 431.53. 28

(E) "Personal care services" has the same meaning as in 42 29
C.F.R. 440.167. 30

Sec. 5164.401. (A) The department of medicaid shall 31
develop, procure, certify, or approve one or more systems for 32
the electronic verification of nonemergency medical 33
transportation services and in-home personal care services 34
provided under the medicaid program to medicaid recipients. In 35
developing, procuring, certifying, or approving a system under 36
this section, the department may do any of the following: 37

(1) Establish an internal electronic verification system; 38

(2) Contract with one or more vendors to establish an 39
electronic verification system; 40

(3) Integrate with existing electronic verification 41
systems utilized by the department. 42

(B) A system or systems developed, procured, certified, or 43
approved in accordance with this section shall do all of the 44
following: 45

(1) For claims submitted by a nonemergency medical 46
transportation service provider: 47

<u>(a) Utilize a ride dispatch system that is similar to</u>	48
<u>other private transportation services;</u>	49
<u>(b) Utilize GPS-based verification to track a provider's</u>	50
<u>arrival at a pickup location, initiation of a transport, arrival</u>	51
<u>at a drop-off location, and completion of a transport;</u>	52
<u>(c) Capture breadcrumb location data throughout the</u>	53
<u>duration of a transport;</u>	54
<u>(d) Record timestamps, route data, and total distance</u>	55
<u>traveled during a transport;</u>	56
<u>(e) Be capable of transmitting data directly to the</u>	57
<u>department as a condition of payment.</u>	58
<u>(2) For claims submitted by an in-home personal care</u>	59
<u>services provider:</u>	60
<u>(a) Require personal care service providers to clock in</u>	61
<u>and clock out when physically present at the location where</u>	62
<u>services are being provided;</u>	63
<u>(b) Utilize GPS-based verification to track when a</u>	64
<u>provider clocks in and clocks out;</u>	65
<u>(c) Capture breadcrumb location data throughout the</u>	66
<u>duration of service delivery;</u>	67
<u>(d) Record timestamps and the total duration of delivered</u>	68
<u>services;</u>	69
<u>(e) Be capable of transmitting data directly to the</u>	70
<u>department for integration with other claims submissions.</u>	71
<u>(C) (1) An electronic verification system developed,</u>	72
<u>procured, certified, or approved in accordance with this section</u>	73
<u>shall be used to ensure payment integrity within the medicaid</u>	74

program, compliance with state and federal requirements, and 75
serve as a fraud prevention measure within the medicaid program. 76
No data transmitted or stored by an electronic verification 77
system shall be used to conduct unrelated surveillance of 78
medicaid providers or for enforcement purposes unrelated to the 79
medicaid program. 80

(2) All data transmitted or stored by an electronic 81
verification system shall be encrypted, be subject to role-based 82
access controls and audit logs, and comply with all requirements 83
under state and federal law regarding the protection of patient 84
information. 85

(D) The department shall integrate any electronic 86
verification system developed, procured, certified, or approved 87
under this section with the department's existing claims and 88
encounters database and systems. If necessary, the department 89
shall coordinate with medicaid managed care organizations and 90
seek any necessary federal approval to facilitate coordination 91
with electronic verification systems in the medicare program. 92

(E) (1) Not later than six months after the effective date 93
of this section, the department shall develop technical 94
standards and a plan for implementing the requirement of this 95
section and sections 5164.402 to 5164.406 of the Revised Code. 96
The department shall submit a copy of the plan to the general 97
assembly in accordance with section 101.68 of the Revised Code. 98

(2) Not later than twelve months after the effective date 99
of this section, the department shall establish a pilot program 100
under which certain medicaid providers must utilize the 101
electronic verification systems established under this section. 102

(3) Beginning not later than eighteen months after the 103

effective date of this section, the department shall require all 104
nonemergency medical transportation service providers to utilize 105
an electronic verification system established under division (B) 106
(1) of this section. 107

(4) Beginning not later than twenty-four months after the 108
effective date of this section, the department shall require all 109
in-home personal care service providers to utilize an electronic 110
verification system established under division (B) (2) of this 111
section. 112

(F) In establishing and requiring utilization of 113
electronic visit verification systems under this section, the 114
department shall ensure that medicaid recipients are not denied 115
medically necessary services solely on the basis of a provider's 116
failure to utilize a required system. The department shall 117
further ensure that any transition periods that are the result 118
of implementing the requirements of this section do not impact 119
the continuity of care for medicaid recipients. The department 120
shall provide training and technical support to providers to 121
ensure compliance with this section. 122

Sec. 5164.402. (A) Upon full implementation of the 123
electronic verification systems developed, procured, certified, 124
or approved in accordance with section 5164.401 of the Revised 125
Code, no nonemergency medical transportation service provider or 126
in-home personal care service provider shall be eligible to 127
receive medicaid payment for transportation or personal care 128
services provided to a medicaid recipient unless the provider 129
submits all necessary data through an electronic verification 130
system. The department of medicaid shall pay a claim for 131
transportation or personal care services submitted through an 132
electronic verification system if all of the following 133

<u>conditions are satisfied:</u>	134
<u>(1) All required GPS-based verification and timestamp data</u>	135
<u>are present.</u>	136
<u>(2) The breadcrumb location data utilized by an electronic</u>	137
<u>verification system is consistent with the billed services.</u>	138
<u>(3) No unresolved discrepancies about the claim exist.</u>	139
<u>(B) The department shall establish a process by which a</u>	140
<u>nonemergency medical transportation service provider may seek an</u>	141
<u>exemption from utilizing an electronic verification system. The</u>	142
<u>department may permit an exemption for any of the following</u>	143
<u>reasons:</u>	144
<u>(1) Equipment failure or network unavailability, including</u>	145
<u>rural connectivity issues;</u>	146
<u>(2) Emergencies;</u>	147
<u>(3) Concerns for the safety of the medicaid recipient.</u>	148
<u>(C) Before granting an exemption under division (B) of</u>	149
<u>this section, the department shall require a nonemergency</u>	150
<u>medical transportation service provider to submit written</u>	151
<u>documentation detailing why an exemption should be granted. The</u>	152
<u>department shall routinely monitor the number of exemptions</u>	153
<u>requested by a provider.</u>	154
<u>Sec. 5164.403. (A) Not later than five years after the</u>	155
<u>effective date of this section, the department of medicaid shall</u>	156
<u>develop and implement a system by which data received from a</u>	157
<u>nonemergency medical transportation service provider through an</u>	158
<u>electronic verification system developed, procured, certified,</u>	159
<u>or approved under section 5164.401 of the Revised Code may be</u>	160
<u>cross-referenced with claims for medicaid payment submitted to</u>	161

the department by other medicaid providers. The system 162
established in accordance with this section shall be capable of 163
verifying all of the following: 164

(1) The medicaid recipient who received the nonemergency 165
medical transportation services was transported for the purpose 166
of receiving a medicaid service. 167

(2) The medicaid recipient who received the nonemergency 168
medical transportation services was transported to a medicaid 169
provider with an active and valid provider agreement at the time 170
of transport. 171

(3) The records are received by the department within an 172
allowable timeframe established under division (B) of this 173
section and reflect an encounter, claim, or billing activity for 174
a service described in division (A) (1) or (2) of this section. 175

(B) The department shall establish an allowable timeframe 176
under which claims for medicaid payment for transportation 177
claims may be cross-referenced and matched against claims for 178
other medicaid services. The allowable timeframe shall account 179
for documented exceptions that create delays including provider 180
cancellations, appointment rescheduling, emergency diversions, 181
delayed billing, and administrative errors. 182

Sec. 5164.404. (A) The department of medicaid shall 183
develop and implement automated fraud-detection tools to assist 184
with identifying fraud through the use of the electronic 185
verification systems developed, procured, certified, or approved 186
under section 5164.401 of the Revised Code. Any fraud-detection 187
tools shall be capable of flagging irregular patterns of 188
activity by medicaid providers that are required to utilize the 189
electronic verification systems, including all of the following: 190

<u>(1) The seeking and approval of repeated exceptions under</u>	191
<u>section 5164.402 of the Revised Code;</u>	192
<u>(2) Anomalous and irregular route patterns taken by</u>	193
<u>nonemergency medical transportation service providers;</u>	194
<u>(3) Discrepancies between location data and submitted</u>	195
<u>claims.</u>	196
<u>(B) The department shall conduct periodic audits and</u>	197
<u>investigations concerning data collected through use of the</u>	198
<u>electronic verification systems developed, procured, certified,</u>	199
<u>or approved under section 5164.401 of the Revised Code and</u>	200
<u>fraud-detection tools implemented under this section. The</u>	201
<u>department may suspend a medicaid provider's provider agreement</u>	202
<u>for failing to comply with an audit or investigation conducted</u>	203
<u>under this section.</u>	204
<u>(C) If an audit or investigation conducted in accordance</u>	205
<u>with this section results in a credible allegation of fraud as</u>	206
<u>defined in section 5164.36 of the Revised Code, the department</u>	207
<u>shall handle the credible allegation in accordance with that</u>	208
<u>section and refer the credible allegation to the attorney</u>	209
<u>general for investigation.</u>	210
<u>Sec. 5164.405.</u> <u>Annually, the department of medicaid shall</u>	211
<u>submit a report to the general assembly detailing electronic</u>	212
<u>verification systems developed, procured, certified, or approved</u>	213
<u>under section 5164.401 of the Revised Code. The report shall be</u>	214
<u>submitted to the general assembly in accordance with section</u>	215
<u>101.68 of the Revised Code and detail all of the following:</u>	216
<u>(A) The verified number of service claims submitted</u>	217
<u>through electronic verification systems;</u>	218
<u>(B) The number of claims denied or recouped;</u>	219

<u>(C) The number of cases of fraud referred to the medicaid</u>	220
<u>fraud control unit as a result of electronic verification</u>	221
<u>systems;</u>	222
<u>(D) The number of provider sanctions issued as a result of</u>	223
<u>electronic verification system data;</u>	224
<u>(E) The total amount of cost savings to the medicaid</u>	225
<u>program achieved as a result of electronic verification systems;</u>	226
<u>(F) Any impacts to medicaid recipient access to medicaid</u>	227
<u>services that result from the use of electronic verification</u>	228
<u>systems;</u>	229
<u>(G) Any additional information or data the department</u>	230
<u>considers relevant concerning electronic verification systems.</u>	231
<u>Sec. 5164.406.</u> <u>The department of medicaid shall adopt</u>	232
<u>rules in accordance with Chapter 119. of the Revised Code to</u>	233
<u>implement sections 5164.40 to 5164.406 of the Revised Code. The</u>	234
<u>rules shall address all of the following:</u>	235
<u>(A) Technical standards for electronic verification</u>	236
<u>systems developed, procured, certified, or approved under</u>	237
<u>section 5164.401 of the Revised Code including GPS intervals,</u>	238
<u>breadcrumb location data parameters, and criteria for</u>	239
<u>certification of electronic verification systems;</u>	240
<u>(B) Procedures by which a provider may seek an exemption</u>	241
<u>from electronic verification requirements under section 5164.402</u>	242
<u>of the Revised Code;</u>	243
<u>(C) Protocols by which the department will conduct audits</u>	244
<u>and enforcement of electronic verification requirements under</u>	245
<u>section 5164.404 of the Revised Code;</u>	246
<u>(D) Other standards and procedures as necessary to</u>	247

implement sections 5164.40 through 5164.406 of the Revised Code. 248

Section 2. Not later than thirty days after the effective 249
date of this section, the Department of Medicaid shall submit a 250
report to the General Assembly with a cost estimate to implement 251
this act. The report shall include a comparison of state funds 252
and expected matching federal funds necessary to develop, 253
procure, certify, or approve electronic verification systems 254
described in section 5164.401 of the Revised Code. The report 255
shall also analyze expected cost savings for the Medicaid 256
program that result from implementation of electronic 257
verification systems. 258

Section 3. This act shall be known as the Safeguarding 259
Healthcare Integrity through Electronic Location Data (SHIELD) 260
Act. 261