

Medicaid Fraud Control Act—Medicaid Fraud, Definition, Penalties, Fines; SB 271

SB 271 amends the Medicaid Fraud Control Act as follows:

- Renames the crime of making a false claim, statement or representation to the Medicaid program to “Medicaid fraud”;
- Adds the intentional execution or attempt to execute a scheme or artifice to defraud Medicaid or any Medicaid contractor or subcontractor to the definition of the crime;
- Restructures the applicable severity levels so that, for each individual count involving an illegal claim, the severity level depends on the aggregate amount of payments illegally claimed, as follows:
 - \$250,000 or more, a severity level 3, nonperson felony;
 - At least \$100,000 but less than \$250,000, a severity level 5, nonperson felony;
 - At least \$25,000 but less than \$100,000, a severity level 7, nonperson felony;
 - At least \$1,000 but less than \$25,000, a severity level 9, nonperson felony; and
 - Less than \$1,000, a class A nonperson misdemeanor;
- Provides that, regardless of the aggregate amount of payments illegally claimed, an illegal claim resulting in great bodily harm to another person is a severity level 4, person felony;
- Provides that, regardless of the aggregate amount of payments illegally claimed, an illegal claim resulting in death is a severity level 1, person felony;
- Provides that in sentencing for Medicaid fraud, an act or omission by the defendant resulting in any Medicaid recipient receiving any service of lesser quality or amount than the service to which the recipient was entitled may be considered an aggravating factor in making a departure determination;
- Specifies that a person violating the provisions of this section may also be prosecuted for, convicted of, and punished for any form of battery or homicide;
- Provides definitions for “aggregate amount of payments illegally claimed” and “pecuniary harm”;

- Imposes a fine of \$1,000 to \$11,000 per violation on any person convicted of a violation of the act, if requested by the Attorney General, and directs the revenue from this fine to the False Claims Litigation Revolving Fund; and
- Makes technical changes to correct statutory and agency references.