

SENATE BILL No. 1622

November 6, 2008, Introduced by Senator JELINEK and referred to the Committee on Appropriations.

A bill to amend 1977 PA 72, entitled
"The medicaid false claim act,"
by amending sections 7 and 12 (MCL 400.607 and 400.612), section 7
as amended by 1984 PA 333.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. (1) A person shall not make or present or cause to be
2 made or presented to an employee or officer of this state a claim
3 under the social welfare act, ~~Act No. 280 of the Public Acts of~~
4 ~~1939, as amended, being sections 400.1 to 400.121 of the Michigan~~
5 ~~Compiled Laws 1939 PA 280, MCL 400.1 TO 400.119B~~, upon or against
6 the state, knowing the claim to be false.

7 (2) A person shall not make or present or cause to be made or
8 presented a claim under the social welfare act, ~~Act No. 280 of the~~
9 ~~Public Acts of 1939, which 1939 PA 280, MCL 400.1 TO 400.119B, THAT~~

1 he or she knows falsely represents that the goods or services for
 2 which the claim is made were medically necessary in accordance with
 3 professionally accepted standards. Each claim violating this
 4 subsection ~~shall constitute~~ **IS** a separate offense. A health
 5 facility or agency ~~shall~~ **IS** not ~~be~~ liable under this subsection
 6 unless the health facility or agency, ~~pursuant~~ **ACCORDING** to a
 7 conspiracy, combination, or collusion with a physician or other
 8 provider, falsely represents the medical necessity of the
 9 particular goods or services for which the claim was made.

10 (3) A PERSON SHALL NOT KNOWINGLY MAKE, USE, OR CAUSE TO BE
 11 MADE OR USED A FALSE RECORD OR STATEMENT TO CONCEAL, AVOID, OR
 12 DECREASE AN OBLIGATION TO PAY OR TRANSMIT MONEY OR PROPERTY TO THE
 13 STATE PERTAINING TO A CLAIM PRESENTED UNDER THE SOCIAL WELFARE ACT,
 14 1939 PA 280, MCL 400.1 TO 400.119B.

15 (4) ~~(3)~~ A person who violates this section is guilty of a
 16 felony ~~—~~ punishable by imprisonment for not more than 4 years ~~—~~ or
 17 ~~by~~ a fine of not more than \$50,000.00, or both.

18 Sec. 12. (1) A person who receives a benefit ~~which~~ **THAT** the
 19 person is not entitled to receive by reason of fraud or making a
 20 fraudulent statement or knowingly concealing a material fact, **OR**
 21 **WHO ENGAGES IN ANY CONDUCT PROHIBITED BY THIS STATUTE,** shall
 22 forfeit and pay to the state ~~a civil penalty equal to the full~~
 23 amount received, **AND FOR EACH CLAIM A CIVIL PENALTY OF NOT LESS**
 24 **THAN \$5,000.00 OR MORE THAN \$10,000.00** plus triple the amount of
 25 damages suffered by the state as a result of the conduct by the
 26 person.

27 (2) A criminal action need not be brought against the person

1 for that person to be civilly liable under this section.