

WE DARE DEFEND OUR RIGHT TO OPPOSE OBAMACARE

The Medicaid Fraud Reduction Act

House Bill 110, sponsored by Rep. Jim McClendon (R-Springville)

No greater abuse can be committed against taxpayers than cheating a program designed to give a helping hand to our country's most vulnerable citizens. Medicaid is just such a program. But as with many entitlement programs, federal regulations and liberal activists have forged pathways for Medicaid to be abused and misused.

With **The Medicaid Fraud Reduction Act**, House Republicans are committed to increasing the efficiency of our state Medicaid program by improving the ability of the Attorney General's Office and the Alabama Medicaid Agency to pinpoint, investigate, and prosecute instances of Medicaid fraud and abuse.

Summary:

- This bill gives Medicaid investigators access to the Department of Public Health's Controlled Substances Prescription Database, a change that will improve the ability of the Alabama Medicaid Agency to investigate possible instances of Medicaid fraud, abuse, and misuse by Medicaid recipients and providers.
- This bill also makes substantial revisions to Alabama's Medicaid Fraud Statute. For example, current law makes it a crime to make a false statement with the intent to deceive the Medicaid Agency. This bill would add to the list of prohibited conduct by making it unlawful to fail to disclose a material fact or a change in circumstances. This bill would also make it unlawful to file a false claim for items of services to the Medicaid Agency.
- Providers of Medicaid services that violate the Medicaid Fraud Statute are excluded from participating in any program administered by the Alabama Medicaid Agency for a period of three years.
- The bill requires the Medicaid Agency to create an error-prone or fraud-prone case profile within its information system and shall screen each application for Medicaid against the profile to identify cases that have a potential for error or fraud.
- The bill doubles – from three years to six years – the period of time after the commission of an offense that a person can be prosecuted for Medicaid fraud.
- The bill redefines the word "person" as it pertains to the Medicaid Fraud Statute. Current law limits this word to only include individuals. This bill would define the word to include not only individuals but also corporations, partnerships, or associations.

