

# HOUSE BILL No. 5757

February 19, 2008, Introduced by Rep. Corriveau and referred to the Committee on Judiciary.

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

1 presented a claim under the social welfare act, ~~Act No. 280 of the~~  
 2 ~~Public Acts of 1939, which 1939 PA 280, MCL 400.1 TO 400.119B, THAT~~  
 3 he or she knows falsely represents that the goods or services for  
 4 which the claim is made were medically necessary in accordance with  
 5 professionally accepted standards. Each claim violating this  
 6 subsection ~~shall constitute~~ **IS** a separate offense. A health  
 7 facility or agency ~~shall~~ **IS** not be liable under this subsection  
 8 unless the health facility or agency, ~~pursuant~~ **ACCORDING** to a  
 9 conspiracy, combination, or collusion with a physician or other  
 10 provider, falsely represents the medical necessity of the  
 11 particular goods or services for which the claim was made.

12 **(3) A PERSON SHALL NOT KNOWINGLY MAKE, USE, OR CAUSE TO BE**  
 13 **MADE OR USED A FALSE RECORD OR STATEMENT TO CONCEAL, AVOID, OR**  
 14 **DECREASE AN OBLIGATION TO PAY OR TRANSMIT MONEY OR PROPERTY TO THE**  
 15 **STATE PERTAINING TO A CLAIM FOR MEDICAID BENEFITS.**

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

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

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

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