

ONE HUNDRED FIRST LEGISLATURE - FIRST SESSION - 2009
COMMITTEE STATEMENT
LB172

Hearing Date: Wednesday February 18, 2009
Committee On: Health and Human Services
Introducer: Gay
One Liner: Change the False Medicaid Claims Act and create a fund

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 7 Senators Campbell, Gay, Gloor, Howard, Pankonin, Wallman, Stuthman
Nay:
Absent:
Present Not Voting:

Proponents: Senator Gay David Cookson	Representing: Introducer Nebraska Attorney General, Nebraska Department of Justice
--	---

Opponents:	Representing:
-------------------	----------------------

Neutral:	Representing:
-----------------	----------------------

Summary of purpose and/or changes:

LB 172 changes provisions of the False Medicaid Claims Act (act) (sections 68-934 to 68-947), and provisions relating to the Health and Human Services Cash Fund (section 81-3119).

The bill requires that amounts recovered for the state's costs and attorney's fees under sections 68-936, 68-939, and 68-940(2)(b) be remitted to the State Treasurer for credit to the State Medicaid Fraud Control Unit Cash Fund.

The bill creates the State Medicaid Fraud Control Unit Cash Fund, maintained by the Department of Justice and administered by the Attorney General, and consisting of "all recoveries received pursuant to the False Medicaid Claims Act, including any money, funds, securities, or other things of value in the nature of civil damages or other payment, except criminal penalties, whether such recovery is by way of verdict, judgment, compromise, or settlement in or out of court, or other final disposition of any case or controversy, or any other payments received on behalf of the state by the Department of Justice and administered by the Attorney General." Money in the fund must be used to pay the salaries and related expenses of the Department of Justice for the state Medicaid fraud control unit.

The bill directs the transfer of two hundred fifteen thousand dollars (\$215,000) on July 9, 2009 from the Health and Human Services Cash Fund to the State Medicaid Fraud Control Unit Cash Fund.

The bill contains an emergency clause.

Explanation of amendments:

The committee amendment (AM 333) clarifies and narrows provisions relating to the State Medicaid Fraud Unit Cash Fund. The bill as introduced broadly provides that the fund will contain "all recoveries received pursuant to the False Medicaid Claims Act, including any money, funds, securities, or other things of value in the nature of civil damages or other payment." The committee amendment deletes the above-quoted language and includes within the fund only

recoveries for the state's costs and attorney's fees received pursuant to the False Medicaid Claims Act.

Tim Gay, Chairperson