ENGROSSED HOUSE
BILL NO. 1908

By: Mass, Adair and Pettigrew of the House

and

Stipe of the Senate

An Act relating to public health and safety; amending 56 O.S. 1991, Section 1005, as amended by Section 4, Chapter 306, O.S.L. 1995 (56 O.S. Supp. 1999, Section 1005), which relates to the Oklahoma Medicaid Program Integrity Act; providing for construction of section which relates to certain payments, business arrangements or payment practices; conforming sections; providing for payment for securing or soliciting patients for hospitals and other entities; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 56 O.S. 1991, Section 1005, as amended by Section 4, Chapter 306, O.S.L. 1995 (56 O.S. Supp. 1999, Section 1005), is amended to read as follows:

Section 1005. A. It shall be unlawful for any person to willfully and knowingly:

1. Make or cause to be made a claim, knowing the claim to be false, in whole or in part, by commission or omission; or

2. Make or cause to be made a statement or representation for use in obtaining or seeking to obtain authorization to provide a good or a service knowing the statement or representation to be false, in whole or in part, by commission or omission; or

3. Make or cause to be made a statement or representation for use by another in obtaining a good or a service under the Oklahoma Medicaid Program, knowing the statement or representation to be false, in whole or in part, by commission or omission; or

4. Make or cause to be made a statement or representation for use in qualifying as a provider of a good or a service under the

Oklahoma Medicaid Program, knowing the statement or representation to be false, in whole or in part, by commission or omission; or

5. Charge any recipient or person acting on behalf of a recipient, money or other consideration in addition to or in excess of rates of remuneration established under the Oklahoma Medicaid Program; or

6. Solicit or accept a benefit, pecuniary benefit, or kickback in connection with goods or services paid or claimed by a provider to be payable by the Oklahoma Medicaid Program; or

7. Having submitted a claim for or received payment for a good or a service under the Oklahoma Medicaid Program, fail to maintain or destroy such records as required by law or the rules and regulations of the Oklahoma Health Care Authority for a period of at least six (6) years following the date on which payment was received.

B. For the purposes of this section, a person shall be deemed to have made or caused to be made a claim, statement, or representation if the person:

1. Had the authority or responsibility to make the claim, statement, or representation, to supervise those who made the claim, statement, or representation, or to authorize the making of the claim, statement, or representation, whether by operation of law, business or professional practice, or office procedure; and

2. Exercised such authority or responsibility or failed to exercise such authority or responsibility and as a direct or indirect result, the false statement was made.

C. <u>The provisions of this section shall not be construed to prohibit any payment, business arrangement or payment practice not prohibited by 42 U.S.C., Section 1320a-7b(b) or any regulations promulgated pursuant thereto or to prohibit any payment, business arrangement or payment practice not prohibited by Section 1-742 of Title 63 of the Oklahoma Statutes.</u>

D. For the purposes of this section, a person shall be deemed to have known that a claim, statement, or representation was false if the person knew, or by virtue of his position, authority or responsibility, had reason to know, of the falsity of the claim, statement or representation.

SECTION 2. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 29th day of February, 2000.

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Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 2000.

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President of the Senate