

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 COMMITTEE SUBSTITUTE

4 FOR

5 SENATE BILL 27

By: Brecheen of the Senate

and

Hulbert of the House

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9 COMMITTEE SUBSTITUTE

10 An Act relating to Medicaid fraud; amending 56 O.S.
11 2011, Section 1003, as amended by Section 240,
12 Chapter 304, O.S.L. 2012 (56 O.S. Supp. 2012, Section
13 1003); authorizing the Oklahoma Health Care Authority
14 to require certain information to be displayed by
15 providers; providing standards for certain
16 information; and providing an effective date.

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

18 SECTION 1. AMENDATORY 56 O.S. 2011, Section 1003, as
19 amended by Section 240, Chapter 304, O.S.L. 2012 (56 O.S. Supp.
20 2012, Section 1003), is amended to read as follows:

21 Section 1003. A. There is hereby created within the Office of
22 the Attorney General, a Medicaid fraud control unit.

23 B. The Medicaid fraud control unit shall be the state entity to
24 which all cases of suspected Medicaid fraud shall be referred by the
Oklahoma Health Care Authority or its fiscal agents for the purposes
of investigation, civil action, criminal action or referral to the

1 district attorney. Provided however, nothing contained in the
2 Oklahoma Medicaid Program Integrity Act shall prohibit the Oklahoma
3 Health Care Authority from investigating or additionally referring
4 to other proper law enforcement agencies cases of suspected Medicaid
5 fraud. The Oklahoma Health Care Authority shall be authorized to
6 require providers to display information about how to report
7 providers suspected of fraudulent activity relating to the Oklahoma
8 Medicaid Program. The sign shall make reference to the Attorney
9 General's Medicaid Fraud Control Unit hotline and provide the
10 current phone number for the hotline, and shall be placed in a
11 conspicuous location within a provider's office. The sign shall
12 contain notification that all reports to the hotline may be filed
13 anonymously by persons suspecting fraudulent activity.

14 C. 1. In carrying out these responsibilities, the Attorney
15 General shall have all the powers necessary to comply with federal
16 laws and regulations relative to the operation of a Medicaid fraud
17 unit, the power to cross-designate assistant United States attorneys
18 as assistant attorneys general, the power to investigate cases of
19 patient abuse, the power to issue or cause to be issued subpoenas or
20 other process in aid of investigations and prosecutions, the power
21 to administer oaths and take sworn statements under penalty of
22 perjury, the power to serve and execute in any county, search
23 warrants which relate to investigations authorized by the Oklahoma
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1 Medicaid Program Integrity Act and shall have all the powers of a
2 district attorney.

3 2. Subpoenas ad testificandum or duces tecum issued pursuant to
4 the Oklahoma Medicaid Program Integrity Act may be served by the
5 Attorney General, any peace officer, or any competent person over
6 eighteen (18) years of age, and may require attendance or production
7 at any place in this state. A refusal to obey such subpoena, or
8 willful failure to appear, be sworn, testify, or produce records at
9 the place and time specified shall constitute contempt and shall be
10 enforced by the district court of the county where issued or the
11 county where served, at the election of the Attorney General, as if
12 it was a contempt on that court.

13 D. The Attorney General shall have authority to collect all
14 fines, penalties, amounts of restitution, or interest accruing on
15 any amount of restitution to be made and any penalties to be paid
16 from and after default in the payment thereof levied pursuant to the
17 provisions of the Oklahoma Medicaid Program Integrity Act, the
18 Oklahoma Medicaid False Claims Act, or any other charge, cause of
19 action, prelitigation settlement or other settlement which recovers
20 money wrongfully paid by the Oklahoma Health Care Authority on a
21 claim submitted to the Oklahoma Health Care Authority. However,
22 this subsection is not in any way intended to affect the contempt
23 power of any court. Funds collected by the Attorney General
24 pursuant to this section shall be deposited as follows:

1 1. Restitution recovered and interest thereon shall be returned
2 to the Oklahoma Health Care Authority for deposit to the Oklahoma
3 Health Care Authority Medicaid Program Fund created pursuant to
4 Section 5020 of Title 63 of the Oklahoma Statutes;

5 2. Costs of investigation, litigation, attorney fees, and other
6 expenses shall be retained by the Office of the Attorney General and
7 shall be deposited in the Attorney General's Medicaid Fraud
8 Revolving Fund created pursuant to subsection E of this section; and

9 3. Fines and penalties and other funds recovered and interest
10 thereon shall be deposited in the Attorney General's Medicaid Fraud
11 Revolving Fund; provided, the balance in the Attorney General's
12 Medicaid Fraud Revolving Fund shall not exceed an amount equal to
13 fifty percent (50%) of the current-year budget for operating costs
14 of the Medicaid Fraud Control Unit. Any funds exceeding that amount
15 shall be deposited as follows:

16 a. seventy-five percent (75%) to the General Revenue
17 Fund, and

18 b. twenty-five percent (25%) to the Attorney General's
19 Evidence Fund created pursuant to Section 19 of Title
20 74 of the Oklahoma Statutes.

21 E. There is hereby created in the State Treasury a revolving
22 fund for the Office of the Attorney General, to be designated the
23 "Attorney General's Medicaid Fraud Revolving Fund". The fund shall
24 be a continuing fund, not subject to fiscal year limitations, and

1 shall consist of any monies designated to the fund by law. All
2 monies accruing to the credit of said fund are hereby appropriated
3 and may be budgeted and expended by the Attorney General for
4 activities related to the Medicaid Fraud Control Unit. Expenditures
5 from said fund shall be made upon warrants issued by the State
6 Treasurer against claims filed as prescribed by law with the
7 Director of the Office of Management and Enterprise Services for
8 approval and payment.

9 SECTION 2. This act shall become effective November 1, 2013.

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