2016 LEGISLATIVE SESSION: ATTORNEY GENERAL REQUEST LEGISLATION

COMBAT MEDICAID FRAUD AND ABUSE

OBJECTIVE

Prevent Medicaid provider fraud by reauthorizing the state's highly effective Medicaid Fraud False Claims Act.

PROBLEM

Unfortunately, unscrupulous medical providers seek to profit from the state's Medicaid program—performing unneeded tests, charging for services not provided, and otherwise defrauding and abusing the Medicaid system.

One of the state's most effective tools to combat Medicaid fraud is the Medicaid Fraud False Claims Act (FCA) which authorizes the Attorney General to bring civil cases against fraudulent providers to recover Medicaid funds.

Washington's FCA is set to expire on June 30, 2016. Unless reauthorized by the Legislature, Washington will lose one of its most effective tools to combat waste, fraud and abuse in the complex arena of Medicaid fraud.

RECOMMENDED BY LEGISLATIVE AUDITOR (HB 1067 / SB 6156)

The Joint Legislative Audit and Review Committee (JLARC) unanimously approved a report issued by the Legislative Auditor ¹ recommending reauthorization of the Medicaid Fraud False Claims Act (FCA):

• Without the FCA, fraud will increase. Without the FCA, state could not pursue civil cases that are effectively combating Medicaid fraud and abuse in Washington.

• Medicaid recoveries have gone up. Since the FCA was enacted in 2012, Medicaid fraud recoveries have increased by 28% per year—recovering funds that can be reinvested in Medicaid services for Washington residents.²

• The FCA pays for itself. For every state dollar invested in FCA enforcement, \$3 has been recovered to the state Medicaid system.³

• There is "no evidence of frivolous qui tam cases." Specifically, "no court has dismissed a qui tam case brought under Washington's FCA as frivolous" and "concerned parties provided no examples of frivolous qui tam cases in Washington."⁴

• The FCA is working as intended. Use of the FCA has complied with legislative intent, providing for efficient and economical fraud investigations, with adequate cost controls in place and does not duplicate the activities of another agency or the private sector.⁵



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NEWS PUBLICATIONS

- The Olympian
- Centralia Chronicle
- The Seattle Times
- The Tacoma News Tribune
- The ColumbianEverett Herald

1. http://leg.wa.gov/jlarc/reports/2015/ MedicaidFraudFalseClaims

- 2. Ibid. P. 6
- 3. Ibid. P. 6
- 4. Ibid. P. 10
- 5. Ibid. P. 11

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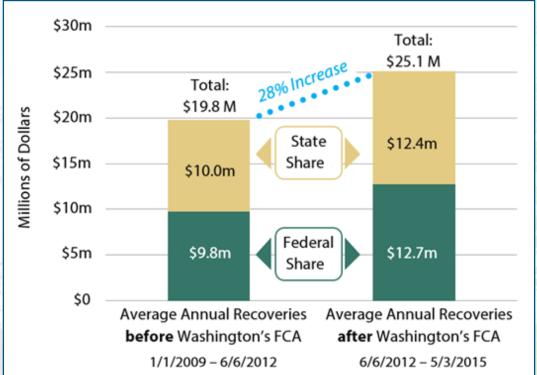


Chart Source: http://leg.wa.gov/jlarc/reports/2015/MedicaidFraudFalseClaims