

By Mr. Thompson of Cambridge, petition of L. Scott Harshbarger, Alvin E. Thompson, Marc R. Pacheco, Robert A. Durand, Barbara E. Gray, Warren E. Tolman and William R. Keating relative to the penalty imposed for the submission of false Medicaid claims. Criminal Justice.

**The Commonwealth of Massachusetts**

In the Year One Thousand Nine Hundred and Ninety-Four

AN ACT RELATIVE TO THE MEDICAID FALSE CLAIMS ACT.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Chapter 118E, as appearing in the 1992 Official  
2 Edition, is hereby amended by adding after Section 21G, the  
3 following: —

4 21H. Records Destruction; Failure to Retain Records.

5 Any person who, having submitted a claim for or provided  
6 goods or services under this chapter, who:

7 1. Knowingly alters, falsifies, destroys, conceals or removes  
8 any records that are necessary to fully disclose the nature of all  
9 goods and services for which the claim was submitted or for  
10 which reimbursement was received, by the person or are other-  
11 wise required to be maintained under 106 CMR 450.205; or

12 2. Knowingly alters, falsifies, destroys, conceals or removes  
13 any records that are necessary to disclose fully all income and  
14 expenditures upon which rates of reimbursements were based for  
15 the person for a period up to six years after reimbursement for  
16 those goods and services is received under this chapter, shall be  
17 punished by a fine of not more than twenty-five thousand dollars  
18 or imprisonment in the state prison for not more than five years,  
19 or by both such fine and imprisonment.

1 SECTION 2. Section 21E of Chapter 118E, as appearing in  
2 the 1992 Official Edition, is hereby amended by adding after the  
3 word "litigation" in line 5, the following: — and payment of a

4 civil penalty of up to \$5,000 for each false statement or misrepre-  
5 sentation. No criminal action or indictment need be brought  
6 against any provider as a condition for establishing civil liability  
7 hereunder. Any person who, without intent to violate this chapter,  
8 obtains benefits or payments in excess of the amount to which he  
9 is entitled, shall be liable for the payment of damages and penal-  
10 ties as provided above.

1 SECTION 3. Section 21A of Chapter 118E, as appearing in  
2 the 1992 Official Edition, is hereby amended by striking in line 18  
3 the words “ten thousand dollars” and inserting the words “twenty-  
4 five thousand dollars”, and by striking in lines 19 and 20 the  
5 words “or in a jail or house of correction for not more than two  
6 and one-half years.”

1 SECTION 4. Section 21B of Chapter 118E, as appearing in  
2 the 1992 Official Edition, is hereby amended by striking in line 12  
3 the words “ten thousand dollars” and inserting the words “twenty-  
4 five thousand dollars”, and by striking in lines 13 and 14 the  
5 words “or in a jail or house of correction for not more than two  
6 and one-half years.”

1 SECTION 5. Section 21C of Chapter 118E, as appearing in  
2 the 1992 Official Edition, is hereby amended by striking in lines 4  
3 and 5 the words “ten thousand dollars” and inserting the words  
4 “twenty-five thousand dollars”, and by striking in lines 6 and 7  
5 the words “or in a jail or house of correction for not more than  
6 two and one-half years.”

1 SECTION 6. Section 21D of Chapter 118E, as appearing in  
2 the 1992 Official Edition, is hereby amended by striking in line 9  
3 the words “ten thousand dollars” and inserting the words “twenty-  
4 five thousand dollars”, and by striking in lines 10 and 11 the  
5 words “or in a jail or house of correction for not more than two  
6 and one-half years.”

1 SECTION 7. Section 21A of Chapter 118E, as appearing in  
2 the 1992 Official Edition, is hereby amended by adding after the  
3 word “imprisonment” in line 27, the following: — For purposes of

4 this chapter, an individual who signs on behalf of a provider shall  
5 be presumed to have the authorization of the provider and to be  
6 acting at his direction.

