

Honolulu, Hawaii

February 1, 2016

RE: H.B. No. 900  
H.D. 2

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 900, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL ASSISTANCE FRAUD,"

begs leave to report as follows:

The purpose of this measure is to strengthen the State's ability to prosecute individuals who fraudulently obtain medical assistance by:

- (1) Clarifying that fraudulently applying for or renewing medical assistance benefits is a class C felony;
- (2) Clarifying that an individual charged with the offense shall pay restitution equivalent to the amount of medical assistance benefits received; and
- (3) Extending the statute of limitations for the offense of medical assistance fraud.

The Department of Human Services and the Department of the Attorney General testified in support of this measure.

Your Committee finds that the Attorney General has the ability to prosecute not only health care providers, but also individual recipients, who commit medical assistance fraud. This measure strengthens the State's ability to seek restitution by extending the statute of limitations to three years after the



discovery of the offense, but not more than six years after the commission of the offense.

Your Committee has amended this measure by removing the element of "wilfully" from the offense of medical assistance fraud so that a person commits medical assistance fraud if the person knowingly makes or causes to be made any false statement or misrepresentation of a material fact relative to the medical assistance program.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 900, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 900, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary,



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KARL RHOADS, Chair



