

STAND. COM. REP. NO. 3564

Honolulu, Hawaii

APR 08 2016

RE: H.B. No. 900
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred
H.B. No. 900, H.D. 2, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Provide that a person commits medical assistance fraud if the person knowingly makes or causes to be made a false statement or representation of a material fact relative to any medical assistance benefit;
- (2) Clarify that fraudulently applying for or renewing medical assistance benefits is a class C felony and specifies the restitution amount chargeable for a violation; and
- (3) Apply the extended statute of limitations to offenses in which medical assistance fraud is an element.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that this measure will allow for more effective prosecution of applicants who fraudulently obtain medical assistance paid for by the State. Existing law could be interpreted to apply only to fraud committed by health care

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providers, and not to fraud committed by individual recipients of medical assistance benefits. This measure will make it clear that the law also applies to fraud committed by individual recipients and enable prosecutors to commence actions for medical assistance fraud beyond the three-year statute of limitations established by section 701-108(2), Hawaii Revised Statutes.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

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

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


GILBERT S.C. KEITH-AGARAN, Chair



