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AN ACT
RELATING TO MEDICAID FRAUD; AUTHORIZING PENALTY FUNDS
RECOVERED BY THE MEDICAID FRAUD UNIT TO BE EXPENDED BY THAT
UNIT TO FURTHER INVESTIGATE AND PROSECUTE MEDICAID FRAUD;
MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 30-44-8 NMSA 1978 (being Laws 1989,
Chapter 286, Section 8, as amended) is amended to read:

"30-44-8. CIVIL PENALTIES--CREATED--ENUMERATED--
PRESUMPTION--LIMITATION OF ACTION.--

A. Any person who receives payment for furnishing
treatment, services or goods under the program, which payment
the person is not entitled to receive by reason of a
violation of the Medicaid Fraud Act, shall, in addition to
any other penalties or amounts provided by law, be liable
for:

(1) payment of interest on the amount of the
excess payments at the maximum legal rate in effect on the
date the payment was made, for the period from the date
payment was made to the date of repayment to the state;

(2) a civil penalty in an amount of up to
three times the amount of excess payments;

(3) payment of a civil penalty of up to ten
thousand dollars (\$10,000) for each false or fraudulent claim

1 submitted or representation made for providing treatment,
2 services or goods; and

3 (4) payment of legal fees and costs of
4 investigation and enforcement of civil remedies.

5 B. Interest amounts, legal fees and costs of
6 enforcement of civil remedies assessed under this section
7 shall be remitted to the state treasurer for deposit in the
8 general fund.

9 C. Any penalties and costs of investigation
10 recovered on behalf of the state shall be remitted to the
11 state treasurer for deposit in the general fund except an
12 amount not to exceed two hundred fifty thousand dollars
13 (\$250,000) in fiscal year 2004, one hundred twenty-five
14 thousand dollars (\$125,000) in fiscal year 2005 and
15 seventy-five thousand dollars (\$75,000) in fiscal year 2006
16 may be retained by the unit and expended, consistent with
17 federal regulations and state law, for the purpose of
18 carrying out the unit's duties.

19 D. A criminal action need not be brought against a
20 person as a condition precedent to enforcement of civil
21 liability under the Medicaid Fraud Act.

22 E. The remedies under this section are separate
23 from and cumulative to any other administrative and civil
24 remedies available under federal or state law or regulation.

25 F. The department may adopt regulations for the

1 administration of the civil penalties contained in this
2 section.

3 G. No action under this section shall be brought
4 after the expiration of five years from the date the action
5 accrues."

6 Section 2. EMERGENCY.--It is necessary for the public
7 peace, health and safety that this act take effect
8 immediately. _____

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