

Michigan Medicaid False Claim Act

As amended by Pub. Acts 2008, No. 421.

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Sec. 1. This act shall be known and may be cited as "the medicaid false claim act".

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Sec. 2. As used in this act:

9 : ; "Benefit" means the receipt of money, goods, or anything of pecuniary value.

9 < ; "Claim" means any attempt to cause the department of community health to pay out sums of money under the social welfare act.

9 = ; "Deceptive" means making a claim or causing a claim to be made under the social welfare act that contains a statement of fact or that fails to reveal a fact, which statement or failure leads the department to believe the represented or suggested state of affair to be other than it actually is.

9 > ; "False" means wholly or partially untrue or deceptive.

9 , ; "Health facility or agency" means a health facility or agency, as defined in section 20106 of the public health code, 1978 PA 368, MCL 333.20106.

9 7 ; "Knowing" and "knowingly" means that a person is in possession of facts under which he or she is aware or should be aware of the nature of his or her conduct and that his or her conduct is substantially certain to ca
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has applied for or is receiving a benefit, shall not conceal or fail to disclose that event with intent to obtain a benefit to which the person or any other person is not entitled or in an amount greater than that to which the person or any other person is entitled.

9; A person who violates this section is guilty of a felony, punishable by imprisonment of not more than 4 years, or a fine of not more than \$ 50,000.00, or both.

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Sec. 4. A person who solicits, offers, or receives a kickback or bribe in connection with the furnishing of goods or services for which payment is or may be made in whole or in part pursuant to a program established under Act No. 280 of the Public Acts of 1939, as amended, who makes or receives the payment, or who receives a rebate of a fee or charge for referring an individual to another person for the furnishing of the goods and services is guilty of a felony, punishable by imprisonment for not more than 4 years, or by a fine of not more than \$ 30,000.00, or both.

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Sec. 5. 9+; A person shall not knowingly and wilfully make, or induce or seek to induce the making of, a false statement or false representation of a material fact with respect to the conditions or operation of an institution or facility in order that the institution or facility may qualify, upon initial certification or upon recertification, as a hospital, skilled nursing facility, intermediate care facility, or home health agency.

95; A person who violates this section is guilty of a felony, punishable by imprisonment for not more than 4 years, or by a fine of not more than \$ 30,000.00, or both.

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Sec. 6. 9+; A person shall not enter into an agreement, combination, or conspiracy to defraud the state by obtaining or aiding another to obtain the payment or allowance of a false claim under the social welfare act, Act No. 280 of the Public Acts of 1939, as amended, being sections 400.1 to 400.121 of the Michigan Compiled Laws.

95; A person who violates this section is guilty of a felony, punishable by imprisonment for not more than 10 years, or by a fine of not more than \$ 50,000.00, or both.

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Sec. 7. 9+; A person shall not make or present or cause to be made or presented to an employee or officer of this state a claim under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, upon or against the state, knowing the claim to be false.

95; A person shall not make or present or cause to be made or presented a claim under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that he or she knows falsely represents that the goods or services for which the claim is made were medically necessary in accordance with professionally accepted standards. Each claim violating this subsection is a separate offense. A health facility or agency is not liable under this subsection unless the health facility or agency, pursuant to a conspiracy, combination, or collusion with a physician or other provider, falsely represents the medical necessity of the particular goods or services for which the claim was made.

9@; A person shall not knowingly make, use, or cause to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the state pertaining to a claim presented under the social welfare act.

9'; A person who violates this section is guilty of a felony punishable by imprisonment for not more than 4 years or a fine of not more than \$ 50,000.00, or both.

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Sec. 8. 9+; In a prosecution under this act, it shall not be necessary to show that the person had knowledge of CUoiSCoUo CUoinScUAo pScUorScCCcm|sC|UMhdCoUo CUoihScUoaScUoSCoISCo nSfScCo t ,0 ncCo, oScUorSi|simcUo aScUocScAot.SxMBsMOiilCmUimlm|do SMEMMCCnslssUiMOCislAdcCld

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that the information sought or document or object demanded is relevant to the investigation, the court shall order the person to comply with the demand, subject to modification the court may prescribe. Upon motion by the person and for good cause shown, the court may make any further order in the proceedings that justice requires to protect the person from unreasonable annoyance, embarrassment, oppression, burden, or expense.

9*; Except as required by federal law, any procedure, testimony taken, or material produced shall be kept confidential by the attorney general before bringing an action against a person under this act for the

and if the court determines that the settlement is fair, adequate, and reasonable under the circumstances. Upon a showing of good cause, the settlement hearing may be held in camera.

9=; Request the court to limit the participation of the person initiating the action. If the attorney general demonstrates that unrestricted participation by the person initiating the action during the litigation would interfere with or unduly delay the attorney general's prosecution of the case or would be repetitious, irrelevant, or unduly harassing, the court may do any of the following:

- 93; Limit the number of the person's witnesses.
- 933; Limit the length of the testimony of the person's witnesses.
- 9333; Limit the person's cross-examination of witnesses.
- 93F; Otherwise limit the person's participation in the litigation.

9*; If the attorney general notifies the court that he or she declines to take over the action under subsection (3), the person who initiated the action may proceed with the action. At the attorney general's request and expense, the attorney general shall be provided with copies of all pleadings filed in the action and copies of all deposition transcripts. Notwithstanding the attorney general's election not to take over the action, the court may permit the attorney general to intervene in the action at any time upon a

9++; If the court finds that the person bringing an action under this section planned and initiated the conduct upon which the action is brought, then the court may reduce or eliminate, as it considers appropriate, the share of the proceeds of the action that the person would otherwise be entitled to receive. A person who is convicted of criminal conduct arising from a violation of this act shall not initiate or remain a party to an action under this section and is not entitled to share in the monetary proceeds resulting from the action or any settlement under this section.

9+5; A person other than the attorney general shall not bring an action under this section that is based on allegations or transactions that are the subject of a civil suit or an administrative civil money penalty proceeding to which this state or the federal government is already a party. The court shall dismiss an action brought in violation of this section.

9+@; Unless the person is the original source of the information, a person, other than the attorney general, shall not initiate an action under this section based upon the public disclosure of allegations or transactions in a criminal, civil, or administrative hearing, in a state or federal legislative, investigative, or administrative report, hearing, audit, or investigation, or from the news media. The person is the original source if he or she had direct and independent knowledge of the information on which the allegations are based and voluntarily provided the information to the attorney general before filing an action based on that information under this section.

9+'; This state and the attorney general are not liable for any expenses, costs, or att

Sec. 10c. 9+; An employer shall not discharge, demote, suspend, threaten, harass, or in any other

