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(3) “Damages” means the actual loss to the Arkansas Medicaid Program and its fiscal agents, including the total amount of all claims paid as a result of any false claim and the value of healthcare goods or services paid for but not delivered to a Medicaid recipient;

(4) “Fiscal agent” means any individual, firm, corporation, professional association, partnership, organization, risk-based provider organization, managed care organization, or other legal entity that receives, processes, or pays claims for the delivery of healthcare goods and services to Medicaid recipients under the program;

(5)(A) “Knowing” or “knowingly” means that the person has actual knowledge of the information or acts in deliberate ignorance or reckless disregard of the truth or falsity of the information.

(B) “Knowing” or “knowingly” does not require proof of a specific intent to defraud;

(6) “Material” means having a natural tendency to influence, or be capable of influencing, the payment or receipt of money or property;

(7) “Managed care organization” means a health insurer, Medicaid provider, or other business entity authorized by state law or through a contract with the state to receive a fixed or capitated rate or fee to manage all or a portion of the delivery of healthcare goods or services to Medicaid recipients;

(8)(A) “Medicaid provider” means a person, business organization, risk-based provider organization, or managed care organization that delivers, purports to deliver, or arranges for the delivery of healthcare goods or services to a Medicaid recipient under the Arkansas Medicaid Program.

(B) “Medicaid provider” includes an employee, agent, representative, contractor, or subcontractor of a person, business organization, risk-based provider organization, or managed care organization;

(A) Medicaid provider of goods or services or any employee, independent contractor, or subcontractor of the Medicaid provider, whether that provider be an individual, individual medical vendor, firm, corporation, professional association, partnership, organization, risk-based provider organization, managed care organization, or other legal entity; or

(B) Individual, individual medical vendor, firm, corporation, professional association, partnership, organization, risk-based provider organization, managed care organization, or other legal entity, or any employee of any individual, individual medical vendor, firm, corporation, professional association, partnership, organization, risk-based provider organization, managed care organization, or other legal entity, not a Medicaid provider under the Arkansas Medicaid Program but that provides goods or services to a Medicaid provider under the Arkansas Medicaid Program for which the Medicaid provider submits claims to the Arkansas Medicaid Program or its fiscal agents; and

(12)(A) “Records” means all documents in any form that disclose the nature, extent, and level of healthcare goods and services provided to Medicaid recipients.

(B) “Records” include x-rays, magnetic resonance imaging scans, computed tomography scans, computed axial tomography scans, and other diagnostic imaging commonly used and retained as part of the medical records of a patient.

20-77-902. Liability for certain acts.

A person shall be liable to the State of Arkansas, through the Attorney General, for restitution, damages, and a civil penalty for an act or omission in violation of this subchapter if he or she:

(1) Knowingly makes or causes to be made any false statement or representation of a material fact in any claim, request for payment, or application for any benefit or payment under the Arkansas Medicaid Program;

(2) Knowingly makes or causes to be made any omission or false statement or representation of a material fact for use in determining rights to a benefit or payment under the Arkansas Medicaid Program;

(3) Having knowledge of the occurrence of any event affecting his or her initial or continued right to any benefit or payment or the initial or continued right to any benefit or payment of any other individual in whose behalf he or she has applied for or is receiving a benefit or payment, knowingly conceals or fails to disclose that event with an intent fraudulently to secure the benefit or payment either in a greater amount or quantity than is due or when no benefit or payment is authorized;

(4) Having made or submitted a claim, request for payment, or application to receive any benefit or payment for the use and benefit of another person and having received it, knowingly converts the benefit or payment or any part of the benefit or payment to a use other than for the use and benefit of the other person;

(b) In the case of an entity that is a Medicaid provider as defined in § 20-77-901, the person discloses, in the form and manner as the Director of the Department of Human Services requires, to the entity and upon request to the director the amount received from each vendor with respect to purchases made by or on behalf of the entity; or

(iv) Any other payment practice specified by the director promulgated pursuant to applicable federal or state law;

(8) Knowingly makes or causes to be made or induces or seeks to induce any omission or

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(2) In a case in which direct monetary loss does not exist or in which it is difficult or impossible to determine the extent of the loss, the Attorney General may elect to seek a civil penalty based on the number of fraudulent claims submitted.

(3) The state shall make an election and give notice in the complaint whether the state is seeking a civil penalty of:

(A) Not less than five hundred dollars ($500) but not more than ten thousand dollars ($10,000) for each claim; or

(B) Two (2) times the amount of damages that the state sustained because of the act of the person.

(b) When a person or Medicaid provider discovers an employee or subcontractor working for the person or Medicaid provider has committed a violation of this subchapter or a violation under the Medicaid Fraud Act, § 5-55-101 et seq., any statutory liability for civil penalties under this section may be reduced by fifty percent (50%) if a person or Medicaid provider can establish all of the following:

(1) The person or Medicaid provider committing the violation of this subchapter furnished officials of the Attorney General's office with all information known to the person or Medicaid provider about the violation within thirty (30) days after the date on which the person or Medicaid provider first obtained the information; and

(2) The person or Medicaid provider fully cooperated with any Attorney General's investigation of the violation, and at the time the person or Medicaid provider furnished the Attorney General with the information about the violation:

(A) No criminal prosecution, civil action, or administrative action had commenced under this subchapter with respect to the violation; and

(B) The person or Medicaid provider did not have actual knowledge of the

(a) (1) (A) In any proceeding or investigation under this subchapter, if a person refuses to answer a question or produce evidence of any kind on the ground that he or she may be incriminated and if the Attorney General or prosecuting attorney requests the court in writing to order the person to answer the question or produce the evidence, the court may make this

age, or by delivering a copy of the order to a representative at the respondent's place of business who is at least eighteen (18) years of age.

(2) If the order is granted, the respondent shall be granted a hearing no later than five (5)