Honolulu, Hawaii

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,

KARL RHOADS, Chair

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State of Hawaii House of Representatives The Twenty-eighth Legislature



Record of Votes of the Committee on Judiciary

Bill/Resolution No.: HB 900, HD1	Committee Referral: HUS, JUD			21/16	
☐ The committee is reconsidering its previous decision on the measure.					
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)					
JUD Members	Ayes	Ayes (WR)	Nays	Excused	
1. RHOADS, Karl (C)					
2. SAN BUENAVENTURA, Joy A.	(VC)				
3. BELATTI, Della Au	/		4	\swarrow	
4. BROWER, Tom	X				
5. CREAGAN, Richard P.	×				
6. HASHEM, Mark J.	/×				
7. KAWAKAMI, Derek S.K.	\sim				
8. LEE, Chris	مر				
9. MORIKAWA, Dee				×	
10. NAKASHIMA, Mark M.	×			·	
11. TAKAYAMA, Gregg	\sim				
12. WOODSON, Justin H.	<i>X</i>				
13. McDERMOTT, Bob				سر	
14. THIELEN, Cynthia	\sim				
TOTAL (14)		0	0	3	
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO					