

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

A Bill

HOUSE BILL 1623

5 By: Representative M. Gray
6 By: Senator Flippo
7

For An Act To Be Entitled

9 AN ACT TO PROVIDE THE ATTORNEY GENERAL NOTICE AND THE
10 OPPORTUNITY TO INTERVENE IN ALL QUI TAM LAWSUITS
11 INVOLVING STATE FUNDS BROUGHT UNDER THE FEDERAL FALSE
12 CLAIMS ACT; AND FOR OTHER PURPOSES.
13
14

Subtitle

15 TO PROVIDE THE ATTORNEY GENERAL NOTICE
16 AND THE OPPORTUNITY TO INTERVENE IN ALL
17 QUI TAM LAWSUITS INVOLVING STATE FUNDS
18 BROUGHT UNDER THE FEDERAL FALSE CLAIMS
19 ACT.
20
21
22

23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
24

25 SECTION 1. Arkansas Code § 20-77-911, concerning persons providing
26 information regarding false Medicaid claims and rewards under the Medicaid
27 Fraud False Claims Act, is amended to add an additional subsection to read as
28 follows:

29 (g)(1) The General Assembly finds that:

30 (A) Medicaid is a joint federal and state program, with
31 each claim normally involving both state and federal funds;

32 (B) The United States Congress has granted jurisdiction to
33 federal district courts over any action brought under the laws of any state
34 for the recovery of funds paid by a state or local government if the action
35 arises from the same transaction or occurrence as an action brought under 31
36 U.S. Code § 3730;



1 (C) The General Assembly does not intend to grant a
 2 general right of action to private parties in state or federal court; and

3 (D) As federal law has granted federal courts with
 4 jurisdiction to hear claims involving state funds associated with the
 5 Arkansas Medicaid Program, the Attorney General shall be given notice and the
 6 opportunity to intervene or to otherwise protect the interest of this state.

7 (2)(A) Any party bringing a claim in federal court to recover
 8 state funds or pursuant to an assertion of a state claim under state law
 9 shall serve the Attorney General through the Medicaid Fraud Control Unit with
 10 any complaint, any other pleadings, and the written disclosure of all
 11 material evidence and information possessed by the person bringing the
 12 action.

13 (B) The complaint, pleadings, and disclosed information
 14 shall be filed under seal pursuant to federal law and shall remain under seal
 15 until the seal is lifted in accordance with federal law.

16 (3)(A) The Attorney General may investigate the claim and, if
 17 appropriate, intervene or otherwise litigate and pursue any claim brought in
 18 any litigation in federal court to recover state funds associated with claims
 19 paid by the Arkansas Medicaid Program in actions brought under the federal
 20 False Claims Act, 31 U.S. Code §§ 3729 et seq.

21 (B) The Attorney General may also seek related damages,
 22 civil penalties, and costs, and to litigate or settle said claims as
 23 permitted or required under state and federal law.

24 (4)(A) If the state is properly served and given notice as
 25 required in this subsection by a party bringing an action under the federal
 26 False Claims Act to recover state funds, the Attorney General may pay the
 27 reward authorized under federal law from collected penalties.

28 (B) However, under no circumstances may any reward be paid
 29 from the state funds owed to the Arkansas Medicaid Program.

30
 31
 32 **APPROVED: 4/8/21**
 33
 34
 35
 36