

SESSION OF 2006

## SUPPLEMENTAL NOTE ON SENATE BILL NO. 342

As Amended by Senate Committee on Judiciary

### **Brief\***

SB 342 would create the new crime of obstruction of a Medicaid fraud investigation and would expand the Kansas Standard Asset Seizure and Forfeiture Act to cover the crime of Medicaid fraud.

The crime of obstruction of a Medicaid fraud investigation would include: falsifying, concealing, or covering up a material fact or making or causing to be made any materially false writing or document. The new crime is made a level 9, nonperson felony.

The bill would amend the asset forfeiture law to expand and clarify property derived from or realized through any proceeds derived from any offense covered. The bill would amend the priority rules for proceeds of forfeitures to list the first priority for proceeds of forfeitures related to Medicaid fraud as the State Medicaid Fraud Reimbursement Fund. The bill authorizes the Attorney General to collect attorneys' fees in these cases (not to exceed 15 percent in uncontested cases and 20 percent in contested cases) and to place these attorneys' fees into a Medicaid fraud prosecution revolving fund to be used for investigation and prosecutions of these fraud cases. Any moneys not otherwise allocated shall be placed in the Attorney General's Medicaid Fraud Forfeiture Fund to be used for investigations or prosecutions of such fraud.

### **Background**

The bill was supported by the Deputy Attorney General for the Medicaid Fraud and Abuse Division. The proponent said the bill would help in the investigation and prosecution of Medicaid fraud cases.

The fiscal note was not available.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>