

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: HB 2035

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Peace

3. Committee: Courts of Justice

4. Title: Medicaid fraud - restitution

5. Summary: The bill requires the court to order restitution to be made to the Department of Medical Assistance Services for any loss caused by a felony conviction of making a false statement or representation in applications for payment under Medicaid.

6. Budget Amendment Necessary: No.

7. No Fiscal Impact

8. Fiscal Implications: This bill requires that upon conviction for any violation of making a false statement or representation for payment under medical assistance, the court shall order restitution to be made to the Department of Medical Assistance Services (DMAS) for any loss caused by the violation. To the extent that any restitution is ordered and paid that otherwise would not have been received, there could be an increase in prior year revenues collected by DMAS. Prior year revenues are deposited to the Virginia Health Care Fund, which is used as state match for Medicaid. Any increase in revenues to this fund will reduce general fund dollars needed to support the program.

DMAS is unaware of any cases of this nature in which restitution to the department has not been ordered. By codifying current practice, the bill may provide stronger guidance for courts, but is not expected to have any fiscal impact.

9. Specific Agency or Political Subdivisions Affected: Department of Medical Assistance Services.

10. Technical Amendment Necessary: No.

11. Other Comments: SB 1215, introduced by Senator Smith, is a companion bill.

Date: 1/18/11

Document: G:\GA Sessions\2011 Session\HB2035.Doc
c: Secretary of Health and Human Resources