



PROPOSED FINAL REPORT

Sunset Review of Medicaid Fraud Qui Tam Provisions

Legislative Auditor's Conclusion:

The Legislature should reauthorize the qui tam provisions in the Medicaid Fraud False Claims Act and make them permanent because the process meets legislative intent and maximizes financial recoveries.



Qui tam provisions

Allow **private parties** to **file complaints** against a Medicaid provider suspected of fraud **in civil court** on **behalf of the state** and/or federal government.

A photograph of the Washington State Capitol building, featuring a large dome and classical architectural details. The building is partially obscured by a semi-transparent white overlay on the right side of the slide. In the foreground, there are trees with yellow autumn leaves and a black lamppost on a grassy lawn.

Second sunset review

First review was in 2015 as part of entire Medicaid Fraud False Claims Act.

Stakeholders had expressed concerns about potential frivolous lawsuits filed against providers. To date a court has ruled one case as clearly frivolous.

A photograph of the Washington State Capitol building, featuring a large white dome and classical architectural details. The building is partially obscured by a semi-transparent white overlay on the right side of the slide. In the foreground, there are green trees with yellow autumn leaves and a black street lamp.

Legislative Auditor's Recommendation

The Legislature should **reauthorize** the qui tam provisions in the 2012 Medicaid Fraud False Claims Act and make them permanent because the process meets legislative intent and maximizes financial recoveries.

AGO and OFM concur

AGO fulfills its statutory responsibilities

Statute outlines roles and responsibilities for relators and the AGO.

The AGO has developed procedures to consistently meet its responsibilities.



12 of 19 qui tam complaints have been resolved

October 2015 and August 2022

3

Settled

\$21m to WA

1

Litigated

\$1.7m to WA

8

Declined

6 voluntarily
dismissed by
relator

2 continued
by relator

└─ 1 ruled
frivolous

The AGO recovers more than it spends

\$71.8M

Amount of state funds
recovered *for all civil fraud cases*

\$4.0M

Amount of state funds
spent *for all civil fraud cases*

\$17.8

Amount recovered
for every dollar spent

Sunset questions answered

Has the AGO implemented the qui tam provisions in a manner consistent with the law and legislative intent?

Yes.

Has the AGO implemented the qui tam provisions in an efficient and economical manner, with adequate cost controls in place?

Yes.

Are the AGO's qui tam activities duplicated by another entity or the private sector?

No.

Sunset questions answered

What are the possible effects of eliminating or changing the Medicaid Fraud False Claims Act's qui tam provisions?

The state would lose:

- **A method for identifying Medicaid fraud and pursuing recoveries.** The AGO recovered \$22.9 million as a result of state qui tam provisions during our study.
- **Eligibility for additional 10% in all civil recoveries.** This amounted to \$9.0 million during our study.
- **The ability to participate in multistate cases.**

A photograph of the Washington State Capitol building, featuring a large dome and classical architectural details, set against a clear blue sky. The building is partially obscured by a semi-transparent white overlay on the right side of the slide. In the foreground, there are green trees with yellow autumn leaves and a black lamppost on a grassy lawn.

Legislative Auditor's Recommendation

The Legislature should **reauthorize** the qui tam provisions in the 2012 Medicaid Fraud False Claims Act and make them permanent because the process meets legislative intent and maximizes financial recoveries.

AGO and OFM concur



View the full report:
www.leg.wa.gov/jlarc



Video Summary



One Page Overview



PDF Version

Contact Us

Research Analysts

Melanie Stidham

360.786.5183

melanie.stidham@leg.wa.gov

Aline Meysonnat

360.786.5281

aline.meysonnat@leg.wa.gov

Stephanie Hoffman

360.786.5297

stephanie.hoffman@leg.wa.gov

Project Coordinator

Valerie Whitener

360.786.5191

valerie.Whitener@leg.wa.gov

Legislative Auditor

Keenan Konopaski

360.786.5187

keenan.konopaski@leg.wa.gov

