## Fiscal Estimate - 2021 Session

☐ Updated	☐ Corrected ☐ Su	pplemental
LRB Number <b>21-1102/1</b>	Introduction Number AB	-0652
<b>Description</b> restoring private individual authority to bring a q medical assistance, actions by the attorney gen assistance, and providing a penalty		
Fiscal Effect		
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Fund Sources Affected	Affected Ch. 20 Appr	-
	☐ SEG ☐ SEGS s. 20.435(4)(b), (im), a	.na (o)
Agency/Prepared By	Authorized Signature	Date
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## Fiscal Estimate Narratives DHS 11/9/2021

LRB Number	21-1102/1	Introduction Number	AB-0652	Estimate Type	Original
Description					
restoring private individual authority to bring a qui tam claim against a person for making a false claim for					
medical assistance, actions by the attorney general against a person for making a false claim for medical					
assistance, and providing a penalty					

## Assumptions Used in Arriving at Fiscal Estimate

This proposal would restore the ability of private individuals to bring a qui tam claim against a person who makes a false Medicaid claim. This proposal generally mirrors statutory language created in the 2007-09 state budget (2007 Act 20) that was subsequently repealed by the 2015-17 state budget (2015 Act 55).

Medicaid recovery cases involving a qui tam component are managed by the Wisconsin Department of Justice (DOJ) along with many other recovery cases. While the Department of Health Services' (DHS's) share of Medicaid recoveries are deposited into the appropriation under s. 20.435(4)(im) and used to offset costs that would otherwise impact the appropriations under s. 20.435(4)(b) and (o), DHS did not track whether or not each individual Medicaid recovery case contained a qui tam component during the years that qui tam claims were permitted. Instead, DHS continues to track recoveries by Medicaid recipient's eligibility category since that information is relevant to determining the allocation of recoveries between the state and federal government.

While this bill might be expected to increase Medicaid recoveries, it may be that DHS's Office of the Inspector General (OIG) would otherwise uncover the cases that would be initiated as qui tam claims under this proposal. If that is the case, this proposal could reduce the recoveries that are reinvested in the Medicaid program since individuals who successfully file a qui tam claim may be awarded 30% of the recoveries.

For these reasons, the fiscal impact of this bill on Medicaid recoveries is indeterminate at this time.

## **Long-Range Fiscal Implications**

The long-range fiscal implications of this proposal on Medicaid recoveries are indeterminate at this time.