

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

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