

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: SB 308

SHORT TITLE: MEDICAID FRAUD CHANGE/AB

SPONSOR(S): SENATOR SPEED

FISCAL IMPACT: Expenditures: Increase () Decrease ()
)
 Revenues: Increase () Decrease ()
)
 No Impact (X)
 No Estimate Available ()

FUNDS AFFECTED: General Fund () Highway Fund ()
 Local Fund () Other Fund ()

BILL SUMMARY: "TO AMEND THE LAW REGARDING MEDICAID FRAUD." Amends G.S. 108A-64 by adding a new subsection making it unlawful for a person to deliberately misuse a Medicaid identification card to fraudulently obtain money or services or any other thing of value to which the person is not properly entitled as a Medicaid recipient. Specifies that proof of intent to defraud is not limited to proof of intent to defraud any particular person.

EFFECTIVE DATE: December 1, 1995

PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED: Judicial Branch; Department of Correction

FISCAL IMPACT

	<u>FY</u> 95-96	<u>FY</u> 96-97	<u>FY</u> 97-98	<u>FY</u> 98-99	<u>FY</u>
99-00					
EXPENDITURES					RECURRING
NON-RECURRING					
REVENUES/RECEIPTS					
RECURRING					
NON-RECURRING					

POSITIONS:

ASSUMPTIONS AND METHODOLOGY: Judicial Branch

According to the Department of Human Resources' (DHR) Division of Medical Assistance, the number of additional people charged for this offense would be inconsequential. Most social services departments are more interested in getting restitution than

pursuing prosecution, and reserve criminal charges for the cases in which large sums of money are involved. The charge of obtaining property by false pretenses has been used in the past to prosecute serious abusers.

The Administrative Office of the Courts believes that the Judicial Branch can absorb the cost of any additional cases arising due to the proposed legislation as the numbers of charges are predicted to be small, and many are already charged under existing law using the aforementioned basis for prosecution.

ASSUMPTIONS AND METHODOLOGY: Department of Correction

The North Carolina Sentencing and Policy Advisory Commission does not believe that the proposed legislation would have a fiscal impact on the Department of Correction as the number of individuals that would be incarcerated as a result of this bill would be so small as to be insignificant.

SOURCES OF DATA: Administrative Office of the Courts; North Carolina Sentencing and Policy Advisory Commission

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION

733-4910

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DATE:

[FRD#003]



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