

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE BILL 675
Health Care Committee Substitute Adopted 4/1/09
House Committee Substitute Favorable 6/9/10

Short Title: Prohibit Medicaid Fraud/Kickbacks.

(Public)

Sponsors:

Referred to:

March 19, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO PROHIBIT GIVING OR RECEIVING REMUNERATION RELATED TO THE
3 MAKING OF REFERRALS OR PURCHASE/LEASE ARRANGEMENTS THAT LEAD
4 TO MEDICAID PAYMENTS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 108A-63 is amended by adding the following new subsections
7 to read:

8 "(g) It shall be unlawful for any person to knowingly and willfully solicit or receive any
9 remuneration (including any kickback, bribe, or rebate) directly or indirectly, overtly or
10 covertly, in cash or in kind:

11 (1) In return for referring an individual to a person for the furnishing or
12 arranging for the furnishing of any item or service for which payment may
13 be made in whole or in part under this Part.

14 (2) In return for purchasing, leasing, ordering, or arranging for or
15 recommending purchasing, leasing, or ordering any good, facility, service, or
16 item for which payment may be made in whole or in part under this Part.

17 (h) It shall be unlawful for any person to knowingly and willfully offer or pay any
18 remuneration (including any kickback, bribe, or rebate) directly or indirectly, overtly or
19 covertly, in cash or in kind to any person to induce such person:

20 (1) To refer an individual to a person for the furnishing or arranging for the
21 furnishing of any item or service for which payment may be made in whole
22 or in part under this Part.

23 (2) To purchase, lease, order, or arrange for or recommend purchasing, leasing,
24 or ordering any good, facility, service, or item for which payment may be
25 made in whole or in part under this Part.

26 (i) Subsections (g) and (h) shall not apply to:

27 (1) Contracts between the State and a public or private agency where part of the
28 agency's responsibility is referral of a person to a provider.

29 (2) Any conduct or activity that does not violate or is protected by 42 U.S.C. §
30 1320a-7b(b), as amended, or any federal regulations adopted pursuant
31 thereto."

32 SECTION 2. This act becomes effective December 1, 2010, and applies to
33 offenses committed on or after that date.

