



SPONSOR: Sen. Sokola & Rep. B. Short
Reps. Briggs King, Miro, Osienski

DELAWARE STATE SENATE
149th GENERAL ASSEMBLY

SENATE BILL NO. 193

AN ACT TO AMEND TITLE 6 OF THE DELAWARE CODE RELATING TO THE DELAWARE FALSE CLAIMS
AND REPORTING ACT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend § 1201(a), Title 6 of the Delaware Code by making deletions as shown by strike through and
insertions as shown by underline as follows:

§ 1201 Liability for certain acts.

(a) Any person who:

(1) Knowingly presents, or causes to be presented a false or fraudulent claim for payment or approval;

(2) Knowingly makes, uses or causes to be made or used a false record or statement material to a false or
fraudulent claim;

(3) Conspires to commit a violation of paragraph (a)(1), (2), (4), (5), (6) or (7) of this section;

(4) Has possession, custody or control of property or money used or to be used by the Government and
knowingly delivers or causes to be delivered, less than all of that money or property;

(5) Is authorized to make or deliver a document certifying receipt of property used or to be used by the
Government and, intending to defraud the Government, makes or delivers the receipt without completely knowing
that the information on the receipt is true;

(6) Knowingly buys, or receives as a pledge of an obligation or debt, public property from an officer or
employee of the Government who may not lawfully sell or pledge the property; or

(7) Knowingly makes, uses, or causes to be made or used a false record or statement material to an
obligation to pay or transmit money or property to the Government, or knowingly conceals or knowingly and
improperly avoids or decreases an obligation to pay or transmit money or property to the Government
shall be liable to the Government for a civil penalty of ~~not less than \$5,500 and not more than \$11,000~~ not less than
\$10,957 and not more than \$21,916, as adjusted by the Federal Civil Penalties Inflation Adjustment Act of 2015 (28 U.S.C.
§ 2461), for each act constituting a violation of this section, plus 3 times the amount of damages which the Government
sustains because of the act of that person.

SYNOPSIS

This Bill updates the State of Delaware's False Claims and Reporting Act to make it compliant with the requirements of Section 1909 of the Social Security Act. Section 1909 of the Social Security Act provides a financial incentive for States to enact laws that establish liability to the State for individuals and entities that submit false or fraudulent claims to the State Medicaid Program. This incentive provides for a ten percent increase in the share of a qui tam recovery or settlement apportioned to the State. For a State to qualify for this incentive, State law must meet certain requirements enumerated under Section 1909(b) of the Social Security Act, so that the State's law is at least as effective as the Federal False Claims Act. After review by the Office of Inspector General for the United States Department of Health & Human Services ("OIG-HHS"), it was determined that Delaware's current False Claims and Reporting Act fails to meet the requirements of Section 1909(b) of the Social Security Act. OIG-HHS has granted Delaware a two-year grace period, ending December 31, 2018, to address these deficiencies. This bill amends the False Claims and Reporting Act to bring it into compliance with the requirements of Section 1909(b).

Author: Senator Sokola