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*Promoting Fairness and Equity in Wisconsin's Civil Justice System*

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July 6, 2015

The Honorable Scott Walker  
Governor of Wisconsin  
115 East Capitol  
Madison, WI 53702

Subject: Support for Repeal of False Claims for Medical Assistance Act

Dear Governor Walker:

On behalf of the Wisconsin Civil Justice Council's 18-member board of directors, I write to strongly encourage you to sign into law a provision of the 2015-2017 biennial budget bill repealing Wis. Stat. s. 20.931, Wisconsin's "False Claims for Medical Assistance Act."

S. 20.931 was enacted as part of the 2007-2009 biennial budget. This provision created a private cause of action whereby private individuals not affiliated with the government may file an action in the name of the state alleging Medical Assistance fraud against the state.

This law needlessly encourages lawsuits on behalf of the state by providing that the person who brings a private cause of action may be awarded up to 30 percent of the proceeds of the action, in addition to being awarded his or her expenses, costs, and reasonable actual attorney fees. By awarding the person who brings a private cause of action a sizable portion of the proceeds, s. 20.931 reduces the amounts recovered for the state's Medical Assistance program.

Wisconsin has a Medical Assistance fraud statute separate from the more recent False Claims for Medical Assistance Act, and a very active Medical Assistance Fraud Unit within the Department of Justice. Because dollars recovered outside of s. 20.931 are not split with a private party, in its analysis of the potential fiscal effect of repealing s. 20.931, the Department of Justice concluded ". . . repeal of s. 20.931 will not reduce dollars recovered but rather, could serve to increase dollars recovered for the MA program."

We respectfully urge you to repeal Wis. Stat. s. 20.931.

Sincerely,

Bill G. Smith  
President

enclosure