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NYS SENATOR DEAN MURRAY INTRODUCES LEGISLATIVE PACKAGE TO STRENGTHEN MEDICAID FRAUD ENFORCEMENT AND PROTECT TAXPAYER DOLLARS



(L-R: Suffolk County Executive Ed Romaine, NYS Assemblyman Joe DeStefano, NYS Senator Dean Murray, NYS Senator Anthony Palumbo, Suffolk County District Attorney Ray Tierney, Deputy Bureau Chief of Financial Crimes Mike McCoy, and NYS Senator Mario Mattera)

(Hauppauge, NY) – NYS Senator Dean Murray alongside Suffolk County Executive Ed Romaine, Suffolk County District Attorney Ray Tierney, and other state elected officials announced that he will introduce two pieces of legislation aimed at strengthening the fight against Medicaid fraud, improving accountability, and protecting taxpayer dollars while ensuring the long-term sustainability of New York’s Medicaid program for those who truly need it.

The first bill would formally designate the New York State Office of the Medicaid Inspector General (OMIG) as the official clearinghouse for Medicaid fraud tips at 1-877-87-FRAUD and establish, in statute, a standardized process for how those tips are received, evaluated, and investigated.

Under the legislation, OMIG would be required to:

- Receive and review all Medicaid fraud tips submitted through its official tipline.
- Refer all information deemed credible to the New York State Attorney General's Medicaid Fraud Unit and the appropriate local District Attorney.
- Within 30 days of the tip being distributed, there must be a determination made as to whether the tip will be pursued and if so, which jurisdiction will take the lead on the investigation, and the determination must be shared with OMIG.
- When the investigation is completed, OMIG will receive a report from the investigating authority notifying them of the outcome.
- OMIG will submit an annual report detailing the total number of tips received, the number of investigations initiated, referrals made, and the outcomes of those investigations.
- OMIG must provide the report to the Governor, the NYS Attorney General, and the Majority and Minority Leaders of both the NYS Senate and NYS Assembly to ensure transparency and legislative oversight.

The second bill would establish a Medicaid Fraud Tip Reward Program, designed to encourage individuals with documented knowledge of Medicaid fraud to come forward. The proposal would create a dedicated Medicaid Fraud Tip Reward Fund, financed through one percent of all funds recovered through Medicaid fraud investigations, seizures, and forfeitures. Individuals whose documented information directly results in the successful closure of a Medicaid fraud case through a guilty plea or criminal conviction may be eligible for a financial reward.

A seven-member Medicaid Fraud Tip Reward Board would be established to develop reward guidelines, determine eligibility, and establish minimum and maximum award amounts. The Board would meet semi-annually to review qualifying cases and would include appointed representatives from the:

- Governor's Office (2 appointments)
- Lieutenant Governor's Office (1 appointment)
- NYS Senate Majority Leader (1 appointment)
- NYS Assembly Speaker (1 appointment)
- NYS Senate Minority Leader (1 appointment)
- NYS Assembly Minority Leader (1 appointment)

New York operates the most expensive Medicaid program in the nation. We deserve to have confidence that the system is working appropriately. This legislative package is designed to protect its integrity. By establishing clear procedures in law, we can improve oversight while ensuring fraud allegations do not fall through the cracks.

Every dollar lost to fraud is a dollar that cannot be used to provide care for seniors, children, individuals with disabilities, and families who legitimately rely on Medicaid. Our goal is simple: protect the program for those who truly need it, hold bad actors accountable, and strengthen public confidence that taxpayer dollars are being spent responsibly.

"It is imperative that we give our local prosecutors every opportunity to go after and convict those who engage in Medicaid fraud and steal from the taxpayers and these bills will help accomplish that," **stated NYS Senator, Dean Murray, 3rd Senate District.**

"Medicaid fraud is a crime that steals critical income from those who desperately need their healthcare. These bills will play a key role in combatting those crimes and I fully support Senator Murray, Assemblyman DeStefano, and all our Republican and state representatives in their efforts to get these bills passed," **stated Suffolk County Executive Ed Romaine.**

"Federal evaluations currently place New York State as dead last for criminal convictions when it comes to Medicaid fraud. That is unacceptable. Every dollar stolen through Medicaid fraud is a direct hit to the pockets of hardworking families. This corruption forces taxpayers to endure raised premiums and inflated taxes, all the while suffering a degraded quality of healthcare. My office is doing its part in rooting out fraud, but we need additional tools to be able to enhance our investigations and strengthen accountability measures. The two pieces of legislation introduced today accomplish both goals. If passed, the new laws would go a long way in saving taxpayers millions of dollars through greater oversight," **stated Suffolk County District Attorney Ray Tierney.**

"Government waste, fraud and abuse are a driving force behind New York's affordability crisis. Yet, New York State ranks 49th at combating this pervasive and costly taxpayer abuse. By incentivizing and strengthening state and local government's ability to combat the estimated \$7 billion a year in Medicaid fraud, we can fully eliminate the local share of Medicaid funding. This will save local property taxpayers millions of dollars and will allow the state to invest more into programs and infrastructure projects for law abiding residents instead of propping up criminal organizations," **stated NYS Senator Anthony Palumbo, 1st Senate District.**

"The Medicaid program exists to help our most vulnerable residents— our seniors, people with disabilities, low-income families, and children. Every dollar stolen from that system is a dollar taken away from someone who genuinely needs care. There is far too much waste, fraud, and abuse of our Medicaid system, and not nearly enough oversight," **stated NYS Assemblyman Joe DeStefano, 3rd Assembly District.**

For the full video of the press conference click the following link: youtu.be/ppX95JtcKVo



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