STATE OF NEW YORK

10680

IN SENATE

August 14, 2026

Introduced by Sen. MURRAY -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the public health law, in relation to the handling of tips received through the office of the Medicaid inspector general's Medicaid fraud hotline

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivisions 4, 5 and 7 of section 32 of the public health law, subdivisions 4 and 7 as added by chapter 442 of the laws of 2006 and subdivision 5 as amended by section 110 of part E of chapter 56 of the laws of 2013, are amended to read as follows:

4. to solicit, receive and investigate complaints related to fraud and abuse within the medical assistance program**. The office's Medicaid fraud hotline shall be the official Medicaid fraud hotline of the state of New York. When a tip is received through the office's Medicaid fraud hotline, the inspector shall follow procedures of the office to determine if such tip is a credible allegation and, if a tip is determined to be a credible allegation, all information contained in such credible allegation shall be shared with the Medicaid fraud control unit of the office of the attorney general and with any prosecutor of competent jurisdiction**;

5. to keep the governor, attorney general, state comptroller, temporary president and minority leader of the senate, the speaker and the minority leader of the assembly, and the heads of agencies with responsibility for the administration of the medical assistance program apprised of efforts to prevent, detect, investigate, and prosecute fraud and abuse within the medical assistance program, and to provide a quarterly briefing to the legislature on activities of the office**. At the end of each calendar year, the inspector shall compile a report containing information on all tips that were received through the office's Medicaid fraud hotline. The purpose of such report shall be to determine how many tips were received through such hotline, how many tips received through such hotline were investigated, who conducted the investigation on each tip that was investigated, and the outcomes of any such investi-**

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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gations. Such report shall be provided to the governor, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate, the minority leader of the assembly and the attorney general;

7. to make information and evidence relating to suspected criminal acts which [~~he or she~~] such inspector may obtain in carrying out [~~his or her~~] such inspector's duties available to appropriate law enforcement officials and to consult with the deputy attorney general for Medicaid fraud control, the welfare inspector general, and other state and federal law enforcement officials for coordination of criminal investigations and prosecutions.

The inspector shall refer suspected fraud or criminality to the deputy attorney general for Medicaid fraud control and make any other referrals to such deputy attorney general as required or contemplated by federal law. At any time after such referral, with ten days written notice to the deputy attorney general for Medicaid fraud control or such shorter time as such deputy attorney general consents to, the inspector may additionally provide relevant information about suspected fraud or criminality to any other federal or state law enforcement agency that the inspector deems appropriate under the circumstances.

Notwithstanding any other provision of this subdivision to the contrary, if the inspector determines through procedures of the office that a tip received through the office's Medicaid fraud hotline is a credible allegation, all information contained in such credible allegation shall be shared with the Medicaid fraud control unit of the office of the attorney general and with any prosecutor of competent jurisdiction. Within thirty days of such information being shared with the Medicaid fraud control unit of the office of the attorney general and any prosecutor of competent jurisdiction, there shall be a determination as to whether such credible allegation will be investigated and, if so, which jurisdiction will lead such investigation. Such determination shall be shared with the inspector. Upon the completion of such investigation into such credible allegation, the inspector shall be notified of the outcome of such investigation;

§ 2. This act shall take effect immediately.