



PRESS RELEASE

AG Frosh Applauds Passage of False Claims Act *Maryland to gain new tool in fight against fraud*

Baltimore, MD (April 8, 2015) - Attorney General Brian E. Frosh today thanked members of the Maryland General Assembly for adopting the Maryland False Claims Act, an important fraud-fighting tool that will recoup millions for the state budget.

The bill, Attorney General Frosh's top priority for the 2015 legislative session, was approved by the Maryland House of Delegates on Wednesday by a vote of 88-51. Previously passed by the Senate, the measure now goes to Gov. Larry Hogan for his signature.

"The False Claims Act is a proven tool and I am confident it will recoup millions for the state, while creating a level playing field allowing honest businesses to thrive," Attorney General Frosh said. "It has been effective for the federal government. It has been effective in states all over the country. And it is going to work in Maryland."

The bill [[SB 374](#)] allows whistleblowers with knowledge of fraud committed against state and local governments to come forward with their information and receive a reward, if the government recoups money as a result.

The Office of the Attorney General will review cases and pursue only those with the most merit. The screening process will ensure that only the strongest cases move forward.

The bill also contains protections for whistleblowers against retaliation from their employer.

"Often, employees have the most detailed knowledge of what their companies are doing, but need the right incentive to come forward. This law creates incentives for integrity, and we all will benefit," Attorney General Frosh said.

The law expands Maryland's more limited version of the False Claims law, applying only to cases of Medicaid and healthcare-related fraud. The state has recovered nearly \$62 million over the past four years from Medicaid-related cases initiated by whistleblowers and others. The federal government recouped \$5.6 billion in the 2014 fiscal year from its version of the False Claims Act, with \$3.1 billion coming from cases involving banks and financial institutions.

Attorney General Frosh thanked Senate President Thomas V. Mike Miller, Judicial Proceedings Chairman Bobby Zirkin, senators Jamie Raskin and Michael Hough; and House Speaker Michael

Busch; Judiciary Committee Chairman Joseph F. Vallario Jr., and delegates Sandy Rosenberg and Will Smith in particular for their work on the legislation.