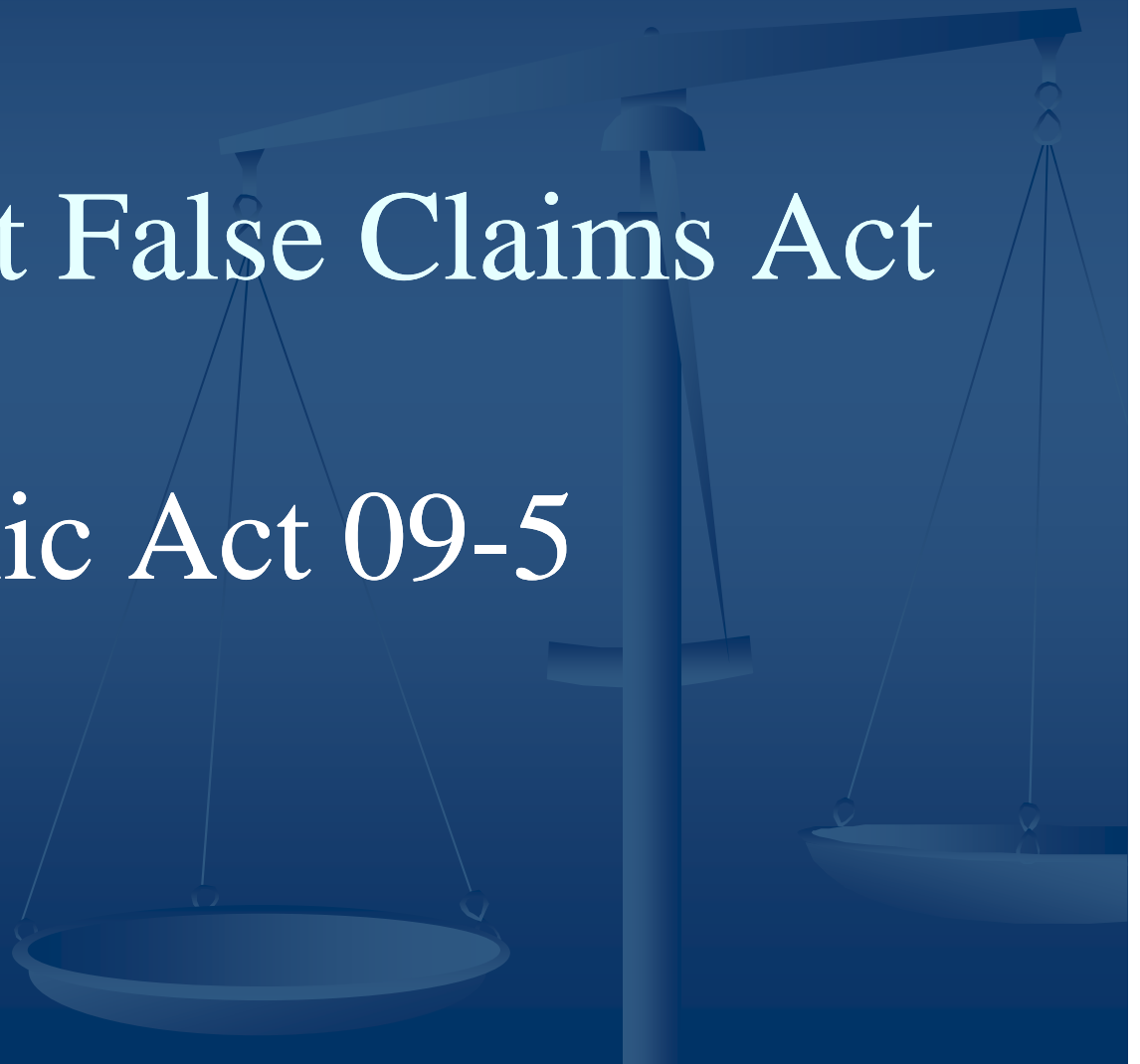


# Connecticut False Claims Act

Public Act 09-5



# Connecticut False Claims Act

- Federal False Claims Act dates from the Civil War
- DRA of 2005 added financial incentive to states
- PA 09-5 of the September Special Session passed and Governor signed on Oct. 5, 2009
- Limited to programs administered by DSS, e.g. Medicaid, ConnPACE, SAGA, Husky & Charter Oak

# Connecticut False Claims Act

Prohibits any person from :

- Knowingly presenting, or causing to be presented, a false claim for payment or approval
- Knowingly making, or causing to be made, a false record or statement in order to get a claim approved
- Conspiring to defraud by securing payment of a false claim

# Connecticut False Claims Act

Prohibits any person from :

- Having custody of property or money that belongs to the state
- Presenting documentation that to the state without completely knowing that the information is true
- Knowingly buying or receiving public property from a state employee not authorized to sell such property

# Connecticut False Claims Act

Prohibits any person from :

- Knowingly making a false record or statement to avoid or decrease an obligation to pay or transmit money to the state

# Connecticut False Claims Act

“Person” means any natural person, corporation, limited liability company, firm, association, organization, partnership, trust or other legal entity

# Connecticut False Claims Act

“Knowing” and “knowingly” means that person:

- has actual knowledge
- acts in deliberate ignorance of the truth
- acts in reckless disregard of the truth

# Connecticut False Claims Act

- Section 2(b)—liable for civil penalty between \$5,000 and \$10,000; treble damages and costs of investigation and prosecution
- Section 2(c)—limits damages to double by self disclosure in certain circumstances



# Connecticut False Claims Act

- Section 3—gives AG authority to investigate any violation of 2(a) and bring a civil action in Superior Court
- Qui Tam provisions—filed under seal for min. 60 days subject to extension for good cause
- AG either takes it over or declines and leaves it for the relator

# Connecticut False Claims Act

- Section 5(e)—if Court awards civil penalties or damages or if AG settles and receives civil penalties or damages, relator gets 15—25% from the proceeds based upon extent substantially contributed to the prosecution of the action - also gets reasonable expenses, attorneys' fees and costs from the defendant

# Connecticut False Claims Act

- Section 6—when AG declines and relator proceeds, relator gets 25—30% of the proceeds, plus reasonable expenses, attorneys' fees and costs from defendant
- If defendant prevails under this section and court finds claim was clearly frivolous, clearly vexatious or brought primarily for purpose of harassment, court may award reasonable attorneys' fees and expenses to the defendant

# Connecticut False Claims Act

- Section 8—if Court finds relator planned and initiated the violation, Court may reduce share of proceeds, taking into account role of person in advancing case to litigation and any relevant circumstances
- If relator is convicted of criminal conduct arising from the violation, then relator shall be dismissed from civil action and shall not receive any share of the proceeds - does not prejudice right of AG to continue the action

# Connecticut False Claims Act

- Section 11—whistleblower protections for employees including reinstatement, two times back pay, interest on the back pay, litigation costs and reasonable attorneys' fees - employee may bring an action in Superior Court to obtain the relief set forth above

# Connecticut False Claims Act

Who wants to be first?