

# Health Care Fraud and Abuse Laws: Connecticut

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*A Q&A guide to health care-related fraud and abuse laws in Connecticut. This Q&A addresses civil and criminal actions, consequences for violation, and Medicaid program integrity provisions. Answers to questions can be compared across a number of jurisdictions (see [Health Care Fraud and Abuse Laws: State Q&A Tool](#)).*

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## Laws and Regulations

### Medicaid Program Integrity

### Other Significant State Laws

## Laws and Regulations

1. Please list each state equivalent of the federal False Claims Act, Anti-Kickback Statute, and the Stark Law in your jurisdiction. For each statute or regulation, please:

- Identify the statute or regulation.
- Provide a description of the statute or regulation, including the elements to prove a violation.
- Identify each person or entity covered by the statute or regulation, including providers and payors.
- Identify the state agency or entity that administers and/or enforces the statute or regulation.

Significant Connecticut statutes or regulations that govern health care fraud and abuse are:

- The Connecticut False Claims Act ([Conn. Gen. Stat. Ann. §§ 4-274 to 4-289](#)) (see [The Connecticut False Claims Act](#)).

- Receiving and Paying Kickbacks ([Conn. Gen. Stat. Ann. §§ 53a-161c and 53a-161d](#)) (see [Receiving and Paying Kickbacks](#)).
- The Clinical Laboratory Self-Referral Law ([Conn. Gen. Stat. Ann. § 20-7a](#)) (see [Clinical Laboratory Self-Referral Law](#)).
- Clinical Laboratory Unethical Practices ([Conn. Gen. Stat. Ann. § 19a-30\(f\)](#) and [Conn. Agencies Regs. § 19a-36-D36](#)) (see [Clinical Laboratory Unethical Practices](#)).
- The Connecticut Health Insurance Fraud Act ([Conn. Gen. Stat. Ann. §§ 53-440 to 53-445](#)) (see [The Connecticut Health Insurance Fraud Act](#)).
- Vendor Fraud ([Conn. Gen. Stat. Ann. §§ 53a-290 to 53a-296](#)) (see [Vendor Fraud](#)).

## The Connecticut False Claims Act: Conn. Gen. Stat. Ann. §§ 4-274 to 4-289

### Description

To prove a violation of this law, the [Connecticut Office of the Attorney General](#) or a private party must show by a preponderance of the evidence that the violating party:

- Knowingly presented, or caused to be presented, a false or fraudulent claim for payment or approval under a state-administered health or human services program.
- Knowingly made, used, or caused to be made or used, a false record or statement material to a false or fraudulent claim under a state-administered health or human services program.
- Conspired to violate this law.
- Had possession, custody, or control of property or money used, or to be used, by the state of Connecticut relative to a state-administered health or human services program, and knowingly delivered, or caused to be delivered, less property than the amount for which the person receives a certificate or receipt.
- Was authorized to make or deliver a document certifying receipt of property used, or to be used, by the state of Connecticut relative to a state-administered health or human services program and intended to defraud the state of Connecticut, make or deliver the document without completely knowing that the information on the document is true.
- Knowingly bought or received as a pledge of an obligation or debt, public property from an officer or employee of the state of Connecticut relative to a state-administered health or human services program, who lawfully cannot sell or pledge the property.
- Knowingly made, used, or caused to be made or used, a false record or statement material to an obligation to pay or transmit money or property to the state of Connecticut under a state-administered health or human services program.

- Knowingly concealed or knowingly and improperly avoided or decreased an obligation to pay or transmit money or property to the state of Connecticut under a state-administered health or human services program.

(Conn. Gen. Stat. Ann. §§ 4-275 and 4-286.)

### **Covered Persons and Entities**

All individuals and entities are covered under this law (Conn. Gen. Stat. Ann. § 4-274(3)).

### **State Agency**

The Connecticut Office of the Attorney General enforces this law (Conn. Gen. Stat. Ann. § 4-276).

## **Receiving and Paying Kickbacks: Conn. Gen. Stat. Ann. § 53a-161c and 53a-161d**

### **Description**

A person that violates this law commits a crime. To prove a violation of the law for health care purposes, the prosecuting authority must show that the person:

- Knowingly solicited, accepted, or agreed to accept a benefit from another person based on an agreement or understanding that the benefit will influence the person's conduct in relation to referring an individual (or arranging for the referral of an individual) for the furnishing of goods, facilities, or services to the other person under contract to provide goods, facilities, or services to a local, state or federal agency.
- By force, intimidation, or threat, induced another person who has a contract with the state of Connecticut to give up any part of the compensation to which they are entitled.
- Knowingly offered or paid a benefit to another with intent to influence the other person to:
  - refer an individual or to arrange for the referral of an individual to furnish goods, facilities, or services for which a claim for benefits or reimbursement has been filed with a local, state, or federal agency; or
  - purchase, lease, order, or arrange for or recommend the purchase, lease, or order of goods, facilities, or services for which a claim has been filed with a local, state, or federal agency.

(Conn. Gen. Stat. Ann. §§ 53a-161c and 53a-161d.)

### **Covered Persons and Entities**

All individuals and entities are covered under this law (Conn. Gen. Stat. Ann. § 53a-3(1)).

## State Agency

The [Connecticut Office of the Chief State's Attorney](#) and the State Attorneys in each judicial district enforce this law ([Conn. Const. art. 4, § 27](#)).

## Clinical Laboratory Self-Referral Law: Conn. Gen. Stat. Ann. § 20-7a

### Description

To prove a violation of this law, the licensing board must show that:

- A practitioner of the healing arts who agreed with a clinical laboratory to pay the laboratory for individual test or test series for patients did not disclose the following on the bills to patients or third-party payors in the clinical laboratory's name:
  - the amount the clinical laboratory charges for individual tests or test series; and
  - the amount of the practitioner of the healing art's procurement or processing charge, if any, for each test or test series.
- A practitioner of the healing arts recommended a test to help diagnose a patient's physical condition and did not inform the patient of the approximate range of the costs for the test to the extent the practitioner was reasonably able.
- A practitioner of the healing arts did not disclose the following interests to a patient before referring the patient to an entity that provides a diagnostic or therapeutic service and provide reasonable referral alternatives:
  - the practitioner of the healing arts has an ownership or investment interest in an entity that provides diagnostic or therapeutic services; or
  - the practitioner of the healing arts receives compensation or remuneration for referring patients to an entity that provides diagnostic or therapeutic services.
- A person or entity solicited payment for the provision of anatomic pathology services, **except**:
  - if the person or entity is a physician, clinical laboratory, or referring clinical laboratory; or
  - the services were personally rendered by or under the direct supervision of the physician, clinical laboratory, or referring clinical laboratory.

([Conn. Gen. Stat. Ann. § 20-7a](#).)

## Covered Persons and Entities

All individuals and entities are covered under this law ([Conn. Gen. Stat. Ann. § 20-7a](#)).

## State Agency

The [Connecticut Department of Public Health](#) enforces this law and can result in fines or disciplinary action ([Conn. Gen. Stat. Ann. § 20-7a](#)).

## Clinical Laboratory Unethical Practices: Conn. Gen. Stat. Ann. § 19a-30(f) and Conn. Agencies Regs. § 19a-36-D36

### Description

To prove a violation, the Connecticut Department of Public Health must show that:

- The clinical laboratory offered or provided a requestor of laboratory services office equipment or services, except for the practices listed in [Conn. Agencies Regs. § 19a-36-D36\(c\)\(2\)](#). This includes cars, trips, credit cards, or free or discounted services to private patients of the requestor of laboratory services to a greater extent than the requestor provided.
- A representative or agent of a clinical laboratory solicited referral of specimens to their laboratory or another clinical laboratory in a manner which offers or implies an offer of fee-splitting inducements to persons submitting or referring specimens. This includes inducements through rebates, fee schedules, billing methods, personal solicitation, or payment to the practitioner for consultation or assistance or for scientific, clerical, or janitorial services. ([Conn. Gen. Stat. Ann. § 19a-30\(f\)](#).)
- A clinical laboratory made fee splitting inducements, including making:
  - cash payments to a requestor of laboratory services for referring patients or specimens;
  - cash rebates for volume of business referred or for a period of time of referral except as permitted in [Conn. Agencies Regs. § 19a-36-D36\(b\)\(1\) and \(b\)\(2\)](#).
  - payments to rent or lease a portion of the facilities of a requestor of laboratory services not related to fair market value of the space or facilities used;
  - a payment of excessive fees to a requestor of laboratory services for consultation, filing forms, providing standby emergency services to laboratory and blood collection facilities, or other services;
  - a payment of excessive interest on deposits collected for the loan of laboratory equipment;
  - a sale of coupons, tickets or booklets, or other variations of prepayments by requestors of laboratory services that do not result in lower charges to the actual patient or recipient of laboratory services; and

- a purchase of corporation stock, or the purchase or rental of equipment or other tangible assets at more than fair market value by a laboratory.
- A clinical laboratory committed fraudulent practices, including having:
  - a written or oral agreement with a requester of laboratory services that results in using of laboratory services more than needed to provide information for diagnosis, prevention, treatment, or assessment of health of the patient or recipient of the services or excessive charges for these services;
  - a system of billing or accepting payment for laboratory services that does not accurately identify the laboratory, the requester, the patient or recipient and the cost of the laboratory services; and
  - a system of billing for laboratory services or issuance of receipts for payment that does not accurately indicate the amount and the recipient of the payment.

(Conn. Agencies Regs. § 19a-36-D36.)

### **Covered Persons and Entities**

All clinical laboratories and requestors of laboratory services are covered under this law (Conn. Gen. Stat. Ann. § 19a-30(f); Conn. Agencies Regs. § 19a-36-D36(a)).

### **State Agency**

The Connecticut Department of Public Health enforces this law (Conn. Gen. Stat. Ann. § 19a-30(f); Conn. Agencies Regs. § 19a-36-D36).

## **Connecticut Health Insurance Fraud Act: Conn. Gen. Stat. Ann. §§ 53-440 to 53-445**

### **Description**

To prove a violation of this law, the prosecuting authority must show that a person, with intent to defraud or deceive an insurer:

- Regarding a statement as part of or in support of an application for an insurance policy, payment claim, or other benefit from a health care plan for either themselves, a family member, or a third party:
  - presents or causes to be presented the statement to an insurer or their agent, knowing that the statement contains false, incomplete, deceptive, or misleading information concerning a fact or thing material to the claim or application; or
  - omits information concerning a fact or thing material to the claim or application.

- Assists, abets, solicits, or conspires with another to prepare or present a statement to an insurer or their agent relating to an application for a health insurance policy, claim or other benefit knowing that the statement contains false, deceptive, or misleading information concerning a fact or thing material to the application or claim.

(Conn. Gen. Stat. Ann. § 53-442.)

### **Covered Persons and Entities**

All individuals and entities are covered under this law (Conn. Gen. Stat. Ann. § 53-441).

### **State Agency**

The Connecticut Department of Insurance and Connecticut Office of the Chief State's Attorney and the State Attorneys in each judicial district enforce this law (Conn. Gen. Stat. Ann. § 53-445; Conn. Const. art. 4, § 27).

## **Vendor Fraud: Conn. Gen. Stat. Ann. §§ 53a-290 to 53a-296**

### **Description**

It is a crime to commit vendor fraud. To prove a violation of this law, the prosecuting authority must show that a person, with intent to defraud and acting on either their own behalf or for an entity, provides goods or services to a person receiving benefits from the [Connecticut Department of Social Services](#) or a Medicaid recipient and:

- Presented for payment a false claim for goods or services performed.
- Accepted payment for goods or services performed which exceeds either the amounts:
  - due for goods or services performed; or
  - authorized by law for the cost of the goods or services.
- Solicited to perform services for or sell goods to a beneficiary, knowing that the beneficiary does not need the goods or services.
- Sold goods to or performed services for a beneficiary without prior authorization by the Connecticut Department of Social Services when prior authorization was required.
- Accepted additional compensation more than the amount authorized by law from a person or source other than the state of Connecticut.
- Had knowledge that an event occurred affecting either the person's own benefit or right to a benefit or payment or another person on whose behalf the person has applied or is receiving a benefit or payment, right to a benefit or

payment and conceals or fails to disclose the event with an intent to fraudulently secure the benefit or payment either in a greater amount or quantity than is due or when the benefit or payment is not authorized.

(Conn. Gen. Stat. Ann. § 53a-290.)

### Covered Persons and Entities

All participants in the Connecticut Medicaid program are covered under this law (Conn. Gen. Stat. Ann. § 53a-290).

### State Agency

The Connecticut Office of the Chief State's Attorney and the State Attorneys in each judicial district enforce this law (Conn. Const. art. 4, § 27).

For additional information on other significant fraud and abuse laws, see [Question 5](#).

2. For each law and regulation identified in [Question 1](#), please list the key terms of art used and the definition of each.

## The Connecticut False Claims Act: Conn. Gen. Stat. Ann. §§ 4-274 to 4-289

Key terms of art include:

- **Claim.** This is a request or demand for money or property that is either:
  - presented to an officer, employee, or agent of the state of Connecticut; or
  - made to a recipient if the money or property is to be spent or used on the state of Connecticut's behalf or to advance a state program or interest, and if the state of Connecticut provides, has provided, or will reimburse a portion of the money or property.
- **Knowing or knowingly.** This means that a person, regarding information, either:
  - has actual knowledge of the information;
  - acts in deliberate ignorance of the truth or falsity of the information; or



- acts in reckless disregard of the truth or falsity of in the information, even if the person did not intend to defraud another.
  
- **Material.** This means to have a natural tendency to influence or be capable of influencing the payment or receipt of money or property.
  
- **Obligation.** This is an established duty arising from:
  - a contractual, grantor-grantee, or licensor-licensee relationship;
  - a fee-based relationship;
  - a duty created by statute or regulation; or
  - a duty created by the retention of an overpayment.
  
- **Person.** A person is:
  - an individual;
  - a corporation;
  - a limited liability company;
  - a firm;
  - an association;
  - an organization;
  - a partnership;
  - a business;
  - a trust; or
  - another legal entity.
  
- **State-administered health or human services program.** These are programs administered by the following Connecticut state agencies:
  - the Connecticut Department of Children and Families;

- the Connecticut Department of Developmental Services;
- the Connecticut Department of Mental Health and Addiction Services;
- the Connecticut Department of Public Health;
- the Connecticut Department of Aging and Disability Services;
- the Connecticut Department of Social Services;
- the Connecticut Office of Early Childhood;
- the Connecticut Office of the State Comptroller, for the State Employee and Retiree Health programs, as well as other health care programs administered by the Office of the State Comptroller; and
- the Connecticut Department of Administrative Services, for workers' compensation medical claims, including programs reimbursed by the federal government.

(Conn. Gen. Stat. Ann. § 4-274.)

## Receiving and Paying Kickbacks: Conn. Gen. Stat. Ann. §§ 53a-161c and 53a-161d

Key terms of art include:

- **Refer or referral.** This means to send, direct, or recommend or the act of sending, directing, or recommending (Conn. Gen. Stat. Ann. § 53a-161c).
- **Benefit.** This is a monetary advantage, or anything regarded by the beneficiary as a monetary advantage. This does not include forms of remuneration listed in 42 C.F.R. § 1001.952. (Conn. Gen. Stat. Ann. §§ 53a-146 and 53a-161c.)

## Clinical Laboratory Self-Referral Law: Conn. Gen. Stat. Ann. § 20-7a

Key terms of art include:

- **Anatomic pathology services.** This means the gross and microscopic examination and histologic or cytologic processing of human specimens, including histopathology or surgical pathology, cytopathology, hematology, subcellular pathology or molecular pathology or blood banking service performed by a pathologist (Conn. Gen. Stat. Ann. § 20-7a(d)).

- **Clinical laboratory.** This is a facility area used for microbiological, serological, chemical, hematological, immunohematological, biophysical, cytological, pathological, or other examinations of human body fluids, secretions, excretions or excised or exfoliated tissues to provide information to:
  - diagnosis, prevent, or treat a human disease or impairment;
  - assess human health; or
  - assess the presence of drugs, poisons, or other toxicological substances.

(Conn. Gen. Stat. Ann. § 19a-490.)

- **Healing arts.** This means the practice of:
  - medicine;
  - chiropractic;
  - podiatry;
  - naturopathy; and
  - optometry, with certain exceptions.

(Conn. Gen. Stat. Ann. § 20-1.)

- **Patient.** This is an individual who has received health care services from a provider for a medical condition, or a person whom the individual has designated in writing as their representative (Conn. Gen. Stat. Ann. § 20-7b).
- **Provider.** This is a Connecticut-licensed health care provider, which includes, but is not limited to:
  - chiropractors;
  - naturopaths;
  - hearing instrument specialists;
  - paramedics.
  - physical therapists.
  - podiatrists; and
  - veterinarians.

(Conn. Gen. Stat. Ann. § 20-7b.)

- **Referring clinical laboratory.** This is a clinical laboratory that refers a patient specimen for consultation or anatomic pathology services. This does **not** include laboratory of a physician's office or group practice that takes a patient specimen and does not perform the professional diagnostic component of the anatomic pathology services involved. (Conn. Gen. Stat. Ann. § 20-7a(d).)

## Clinical Laboratory Unethical Practices: Conn. Gen. Stat. Ann. § 19a-30(f) and Conn. Agencies Regs. § 19a-36-D36

Key terms of art include:

- **Bribe.** This means valuable consideration given or promised by a laboratory providing a service to influence a requester of laboratory services' behavior (Conn. Agencies Regs. § 19a-36-D36(a)).
- **Clinical laboratory.** This is a facility area used for microbiological, serological, chemical, hematological, immunohematological, biophysical, cytological, pathological, or other examinations of human body fluids, secretions, excretions or excised or exfoliated tissues to provide information to:
  - diagnosis, prevent, or treat a human disease or impairment;
  - assess human health; or
  - assess the presence of drugs, poisons, or other toxicological substances.

(Conn. Gen. Stat. Ann. § 19a-490.)

- **Fee-splitting inducement.** This means offering or implying a division of payment between a requester of laboratory services and the laboratory providing the service (Conn. Agencies Regs. § 19a-36-D36(a)).
- **Fraudulent practice.** This means a practice involving deceit, trickery, or cheating (Conn. Agencies Regs. § 19a-36-D36(a)).
- **Requestor of laboratory services.** This is an individual or entity that:
  - submits specimens;
  - refers specimens for laboratory services; or
  - requests or prescribes laboratory tests.

(Conn. Agencies Regs. § 19a-36-D36(a).)

## The Connecticut Health Insurance Fraud Act: Conn. Gen. Stat. Ann. §§ 53-440 to 53-445

Key terms of art include:

- **Insurer.** This is:
  - an entity that is authorized to provide health care benefits in Connecticut, including benefits provided under health insurance, disability insurance, workers' compensation, and automobile insurance;
  - an individual or legal entity which is self-insured and provides health care benefits to its employees; or
  - a governmental entity which provides medical benefits to Medicare or Medicaid recipients.
- **Misleading information.** This includes, but is not limited to, falsely representing that goods or services were medically necessary according to professionally accepted standards ([Conn. Gen. Stat. Ann. § 53-442](#)).
- **Person.** This means an individual or other legal entity.
- **Statement.** This is evidence of loss, injury, or expense, including, but not limited to:
  - a notice;
  - a statement;
  - an invoice;
  - an account;
  - a bill for services;
  - an explanation of services;
  - a medical opinion;
  - a test result;
  - a computer-generated document; or
  - an electronic transmission.

([Conn. Gen. Stat. Ann. § 53-441](#).)

## Vendor Fraud: Conn. Gen. Stat. Ann. §§ 53a-290 to 53a-296

As defined, a **vendor** is either:

- A person acting on their or another entity's behalf.
- An entity providing goods or services.

(Conn. Agencies Regs. §§ 17b-102-01 and 17-83k-1(b)(1).)

3. For each law or regulation identified in [Question 1](#), please specify the possible consequences for violating the statute or regulation.

In addition to the consequences listed, a provider may be terminated from participating in the Connecticut Medicaid program for conduct that includes fraudulent or abusive practices ([Conn. Gen. Stat. Ann. § 17b-99](#)). For more information, see [Question 4: Penalties for Vendor Fraud and Other Violations](#).

A party may also be in violation of unprofessional conduct laws and subject to disciplinary actions including license revocation, suspension, or non-renewal. For more information, see [Question 5: Other Significant State Laws: Provisions for Specific Professions and Entities](#).

## The Connecticut False Claims Act: Conn. Gen. Stat. Ann. §§ 4-274 to 4-289

A violating party is jointly and severably liable for:

- A civil penalty of \$5,000 to \$11,000, as adjusted under [28 U.S.C. § 2461](#).
- Treble damages that the state of Connecticut sustained because of the violating act.
- The investigation and prosecution costs.

([Conn. Gen. Stat. Ann. § 4-275\(b\)](#).)

A court may reduce the amount of damages to at least twice the amount of damages that the state of Connecticut sustains from a violation of this law if:

- The violating person provided all information that the person knows about the violation to the state of Connecticut within 30 days after the date the person obtained the information.
- The person fully cooperated with any government investigations of the violation.
- No criminal, civil, or administrative action had commenced regarding the violation when the person provided the information about the violation to the state of Connecticut and the person did not have actual knowledge of an investigation into the violation.

(Conn. Gen. Stat. Ann. § 4-275.)

### **Receiving and Paying Kickbacks: Conn. Gen. Stat. Ann. §§ 53a-161c and 53a-161d**

A person who receives or pays kickbacks may face class D felony charges, which is punishable by either or both:

- Imprisonment for up to five years (Conn. Gen. Stat. Ann. § 53a-35a(8)).
- A fine of up to \$5,000 (Conn. Gen. Stat. Ann. § 53a-41).

(Conn. Gen. Stat. Ann. §§ 53a-161c(b) and 53a-161d(b).)

### **Clinical Laboratory Self-Referral Law: Conn. Gen. Stat. Ann. § 20-7a**

A practitioner of the healing arts who violates this law may face an order to pay a civil penalty of up to \$25,000 from their licensing board (Conn. Gen. Stat. Ann. §§ 19a-17(a)(7) and 20-7a(c)).

### **Clinical Laboratory Unethical Practices: Conn. Gen. Stat. Ann. § 19a-30(f) and Conn. Agencies Regs. § 19a-36-D36**

A clinical laboratory that violates these laws and regulations may face:

- Denial of licensure (Conn. Agencies Regs. § 19a-36-D25).
- License suspension or revocation (Conn. Agencies Regs. § 19a-36-D26).

### **The Connecticut Health Insurance Fraud Act: Conn. Gen. Stat. Ann. §§ 53-440 to 53-445**

A person who violates this law may face the penalties for larceny, which are class A misdemeanor charges to class B felony charges (Conn. Gen. Stat. Ann. §§ 53-443 and 53a-122 to 53a-125b). This is punishable by:

- Imprisonment for up to 20 years ([Conn. Gen. Stat. Ann. §§ 53a-36 and 53a-35a\(6\)](#)).
- A fine of up to \$15,000 ([Conn. Gen. Stat. Ann. § 53a-41 and 53a-42](#)).

In addition, the person may be required to make restitution to an aggrieved insurer, including reasonable attorneys' fees and investigation costs. ([Conn. Gen. Stat. Ann. § 53-443](#).)

Each act is a separate offense ([Conn. Gen. Stat. Ann. § 53-443](#)).

## **Vendor Fraud: Conn. Gen. Stat. Ann. §§ 53a-290 to 53a-296**

A person who commits vendor fraud may face criminal charges ranging from a class C misdemeanor to a class B felony ([Conn. Gen. Stat. Ann. §§ 53a-291 to 53a-296](#)). This is punishable by:

- Imprisonment for up to 20 years ([Conn. Gen. Stat. Ann. §§ 53a-36 and 53a-35a\(6\)](#)).
- A fine of up to \$15,000 ([Conn. Gen. Stat. Ann. § 53a-41 and 53a-42](#)).

In addition, a vendor that has been convicted of vendor fraud:

- Must be terminated from participating in the Connecticut Medicaid program.
- Must be made ineligible for reimbursement for goods and services provided.
- May have their franchise forfeited, suspended, or revoked.

([Conn. Gen. Stat. Ann. § 17b-99\(a\)](#).)

The Connecticut Department of Social Services may also sanction a vendor that:

- The Connecticut Department of Social Services believes has committed vendor fraud but has not been convicted ([Conn. Agencies Regs. § 17-83k-4a](#)).
- Violated a federal or state law, rule, or regulation governing the programs in which they participate. This includes, but is not limited to:
  - knowingly and willfully making, or causing to be made, a false statement or misrepresentation of material fact to claim or determine payment;
  - furnishing or ordering services more than the recipient's needs or that fail to meet professionally recognized standards; and



- submitting or causing to be submitted to the Connecticut Medicaid program bills or requests for payment containing charges or costs more than customary charges or costs.

(Conn. Agencies Regs. § 17-83k-3.)

Sanctions include, but are not limited to:

- An order to make restitution as a condition of continued participation.
- Suspension from participation.
- Limitation on participation.

(Conn. Agencies Regs. § 17-83k-5.)

## Medicaid Program Integrity

4. If your jurisdiction has a law or regulation governing Medicaid program integrity requirements, please identify the law or regulation and provide a brief description.

## Penalties for Vendor Fraud and Other Violations: Conn. Gen. Stat. Ann. § 17b-99 and Conn. Agencies Regs. §§ 17-83k-1 to 17-83k-5

The [Connecticut Department of Social Services](#) (DSS) may audit a vendor, provider, or long-term care facility ([Conn. Gen. Stat. Ann. §§ 17b-99\(d\) and 17b-99a](#)).

The DSS must exclude a vendor or provider from the Connecticut Medicaid program and make them ineligible for reimbursement for goods and services provided if they have been convicted of:

- Vendor fraud (see [Question 1: Vendor Fraud](#)).
- A crime involving fraud in a state or federal court for any of the following programs:
  - Medicare;
  - Medicaid fraud;

- a program providing aid to families with dependent children;
- a state-administered general assistance program;
- a state-administered temporary family assistance program;
- a state supplement to the federal Supplemental Security Income Program;
- a federal or state energy assistance program;
- a state or federal general assistance program;
- a state-funded childcare program; or
- a refugee program.

(Conn. Gen. Stat. Ann. § 17b-99(a).)

A vendor who is ineligible for federal financial participation is also ineligible:

- To participate in the Connecticut Medicaid program.
- For reimbursement for goods and services provided.

(Conn. Gen. Stat. Ann. § 17b-99(a).)

The DSS may also sanction a vendor that:

- The DSS believes has committed vendor fraud but has not been convicted ([Conn. Agencies Regs. § 17-83k-4a](#)).
- Violated a federal or state law, rule, or regulation governing the programs in which they participate. This includes, but is not limited to:
  - knowingly and willfully making, or causing to be made, a false statement or misrepresentation of material fact to claim or determine payment;
  - furnishing or ordering services that are more than the recipient's needs or that fail to meet professionally recognized standards; and
  - submitting or causing to be submitted to the Connecticut Medicaid program bills or requests for payment containing charges or costs that are more than customary charges or costs.

(Conn. Agencies Regs. § 17-83k-3.)

Sanctions include, but are not limited to:

- An order to make restitution as a condition of continued participation.
- Suspension from participation.
- Limitation on participation.

(Conn. Agencies Regs. § 17-83k-5.)

## **Long-Term Care Facilities: Conn. Gen. Stat. Ann. § 17b-99a**

The DSS may audit a long-care facility that participates in the Connecticut Medicaid program. A facility that submits false or misleading fiscal information or data to the DSS may have their payments suspended by the State of Connecticut. A person faces class D felony charges if they knowingly:

- Make or cause to be made a false or misleading statement.
- Submits false or misleading fiscal information or data on DSS-approved forms.

(Conn. Gen. Stat. Ann. § 17b-99a(j).)

The DSS and its agents may conduct an inquiry, investigation, or hearing as to whether a person submitted false or misleading fiscal information to the DSS. This includes subpoena power, with power to enforce the subpoena vested in the Connecticut Superior Court. (Conn. Gen. Stat. Ann. § 17b-99a(k).)

## **Vendor Refunds: Conn. Gen. Stat. Ann. § 17b-103**

A vendor must refund to the payor payments made by or on behalf of a patient who is subsequently found to be eligible for Medicaid:

- To the extent those services are covered by the Connecticut Medicaid program.
- For goods and services for which payment was covered by the Connecticut Medicaid Program.

(Conn. Gen. Stat. Ann. § 17b-103(a).)

A vendor that willfully refuses to refund the payments may face exclusion from the Connecticut Medicaid program (Conn. Gen. Stat. Ann. § 17b-103(b)).

## Periodic Investigations of Pharmacies: Conn. Gen. Stat. Ann. § 17b-274

The DSS, Division of Criminal Justice must periodically perform investigations of pharmacies periodically to determine whether pharmacies are improperly billing the State of Connecticut for brand name drugs when a generic drug is available ([Conn. Gen. Stat. Ann. § 17b-274\(a\)](#)). A medical provider may specify in writing that a brand name drug is required over a generic one ([Conn. Gen. Stat. Ann. § 17b-274](#)).

## Claims for Home Health Services Provided Under Medicare and Medicaid: Conn. Gen. Stat. Ann. § 17b-343a

A provider that participates in certain federal demonstration projects must submit claims and medical records as required under the provisions of the demonstration project for claims for home health services provided to individuals eligible for both the federal [Medicare](#) and [Medicaid](#) programs. A provider that does not file the required claims or medical records may face a sanction of up to \$50,000 for each failure to file as required under the demonstration project. ([Conn. Gen. Stat. Ann. § 17b-343a](#).)

## Limitation of Charges for Medicare Beneficiaries: Conn. Gen. Stat. Ann. § 17b-552

A provider must charge Medicare beneficiaries who are Connecticut residents and meet certain income limits no more than the reasonable charge determined by the [US Department of Health and Human Services](#) for care, service, or equipment provided to that patient. A provider that charges more than the established reasonable charge may face a civil penalty of up to \$25,000 as specified in [Conn. Gen. Stat. Ann. § 19a-17\(7\)](#). ([Conn. Gen. Stat. Ann. § 17b-552](#).)

## Other Significant State Laws

5. Please briefly describe any other significant laws used by your jurisdiction to prevent, address, or prosecute health care fraud and abuse.

## Provisions for Specific Professions and Entities

Connecticut has laws that prohibit specific health care professions and entities from engaging in unprofessional conduct, which includes offering or receiving, for example, remuneration or compensation to obtain the referral of patients. Professions and entities include, but are not limited to:

- Chiropractors ([Conn. Gen. Stat. Ann. § 20-29](#)). Unprofessional conduct includes engaging in fraud or material deception in the course of professional services or activities ([Conn. Gen. Stat. Ann. § 20-29](#)).

- Dentists ([Conn. Gen. Stat. Ann. § 20-114](#)). Unprofessional conduct includes engaging in fraud or material deception in the course of professional activities ([Conn. Gen. Stat. Ann. § 20-114\(a\)](#)).
- Nurses ([Conn. Gen. Stat. Ann. § 20-99](#)). Unprofessional conduct includes fraud or material deception in the course of professional services or activities ([Conn. Gen. Stat. Ann. § 20-99\(b\)](#)).
- Naturopaths ([Conn. Gen. Stat. Ann. § 20-40](#)). Unprofessional conduct includes engaging in fraud or material deception in the course of professional services or activities ([Conn. Gen. Stat. Ann. § 20-40](#)).
- Optometrists ([Conn. Gen. Stat. Ann. § 20-133](#)). Unprofessional conduct includes:
  - publishing or circulating of any fraudulent or misleading statement; and
  - employing, soliciting, or obtaining money by fraud or misrepresentation in connection with the conduct of the profession of optometry.

([Conn. Gen. Stat. Ann. § 20-133](#).)

- Pharmacists ([Conn. Gen. Stat. Ann. § 20-579](#)). Unprofessional conduct includes:
  - making false, misleading, or deceptive representations to the public; and
  - splitting fees for professional services with a prescribing practitioner or an administrator or owner of a health care facility.

([Conn. Gen. Stat. Ann. § 20-579\(a\)](#).)

- Physicians ([Conn. Gen. Stat. Ann. § 20-13c](#)). Unprofessional conduct includes illegal, incompetent, or negligent conduct in the practice of medicine and obtaining licenses by submitting fraudulent or inaccurate information regarding their credentials ([Conn. Gen. Stat. Ann. § 20-13c](#)).
- Physician assistants ([Conn. Gen. Stat. Ann. § 20-12f](#)). Unprofessional conduct includes fraud and deceit in professional practice ([Conn. Gen. Stat. Ann. § 20-12f](#)).
- Podiatrists ([Conn. Gen. Stat. Ann. § 20-59](#)). Unprofessional conduct includes fraudulent or deceptive conduct in the course of professional services or activities and licenses by submitting fraudulent or inaccurate information regarding their credentials ([Conn. Gen. Stat. Ann. § 20-59](#)).
- Psychologists ([Conn. Gen. Stat. Ann. § 20-192](#)). Unprofessional conduct includes employing fraud or deceit in obtaining their license or in the course of any professional activity ([Conn. Gen. Stat. Ann. § 20-192](#)).

Violators are subject to:

- License revocation or suspension.

- Limitations on practice.
- Censure or reprimand.
- Probation.
- A civil penalty of up to \$25,000.

(Conn. Gen. Stat. Ann. §§ 19a-17 and 20-579 (pharmacists).)

### **Material False Statement: Conn. Gen. Stat. Ann. § 19a-500**

A person cannot make a material false statement in a document or record that an institution licensed by the Connecticut Department of Public Health must either submit to the Connecticut Department of Public Health or maintain on file (Conn. Gen. Stat. Ann. § 19a-500).

A person that violates this law faces class A misdemeanor charges (Conn. Gen. Stat. Ann. §§ 33-616, 53a-157b, and 19a-500.)

### **False or Misleading Statements Regarding Hospitals Receiving State Aid: Conn. Gen. Stat. Ann. § 17b-238**

A hospital receiving aid from the state of Connecticut that submits false or misleading information may have their aid payment suspended (Conn. Gen. Stat. Ann. § 17b-238(c)).

A person that knowingly does either of the following faces class D felony charges:

- Makes a false or misleading statement to the Connecticut Department of Social Services.
- Submits false or misleading fiscal information or data to the Connecticut Department of Social Services.

(Conn. Gen. Stat. Ann. § 17b-238(c).)

### **Use of Runners: Conn. Gen. Stat. Ann. § 53-340a(b)**

It is a crime to knowingly act or use, solicit, direct, hire, or employ a person to be a runner. A runner is an individual who procures or attempts to procure a client for or with a provider who wishes to obtain benefits either under an insurance contract or a governmental health care benefits or prescription drug assistance program. (Conn. Gen. Stat. Ann. § 53-340a.)

Acting as, using, or soliciting a runner is punishable by either or both:

- A fine of up to \$5,000.

- Imprisonment for up to one year.

(Conn. Gen. Stat. Ann. § 53-340a(b).)

## **Diversion of Prescription Medications: Conn. Gen. Stat. Ann. § 21a-70**

A drug wholesaler or manufacturer must:

- Obtain and annually review a certificate of registration from the [Connecticut State Department of Consumer Protection \(DCP\)](#).
- Manufacture or compound drugs, devices, or cosmetics under the direct supervision of a licensed pharmacist or qualified chemist.

(Conn. Gen. Stat. Ann. § 21a-70(b).)

The DCP may:

- Inspect and audit drug wholesalers and manufacturers.
- Deny, suspend, revoke, or refuse to renew the certification of registration if, among other things, the drug manufacturer or wholesaler:
  - furnished false or fraudulent information in a document filed with the DCP;
  - was convicted of a federal or state law concerning drugs;
  - had a penalty issued against a license or registration related to drugs;
  - failed to provide adequate control against the diversion, theft, and loss of drugs; or
  - violated a federal or state statute or regulation concerning drugs.

(Conn. Gen. Stat. Ann. § 21a-70(c), (d), and (f).)