

SENATE BILL 2339
By Dixon

AN ACT to amend Tennessee Code Annotated, Title 56, Chapter 26, Part 4 and Title 71, Chapter 5, Part 1, relative to health care fraud and false claims.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 26, Part 4, is amended by adding the following as a new section to be appropriately designated:

Section _____. In addition to any other penalty imposed by this part, when a corporation has violated the provisions of this part and the chief executive officer of the corporation either knew, should have known or was negligent in not knowing of the violation, the commissioner of commerce and insurance shall impose on the chief executive officer of the corporation a civil penalty of not more than five percent (5%) of the amount determined to have been a false claim.

SECTION 2. Tennessee Code Annotated, Section 71-5-182, is amended by adding the following as a new subsection to be appropriately designated:

() In addition to any other penalty imposed by Sections 71-5-181 through 71-5-186, when a corporation has violated the provisions of this part and the chief executive officer of the corporation either knew, should have known or was negligent in not knowing of the violation, the commissioner of health shall impose on the chief executive officer of the corporation a civil penalty of not more than five percent (5%) of the amount determined to have been a false claim.

40000000

40000000

010301

01030157

SECTION 3. This act shall take effect July 1, 1998, the public welfare requiring it.