

## HOUSE MESSAGE SUMMARY

Date: April 30, 1998  
Bill Subject: Medicaid provider fraud  
Prepared By: Senate Committee on Rules and Calendar

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### I. Amendments Contained in Message

**House Amendment 1 to Senate Amendment 060454 -- 124117** (body with title)  
**House Amendment 2 to Senate Amendment 060454 -- 772935** (body with title)

### II. Summary of Amendments Contained in Message

**House Amendment 1** provides that attorney's fees under an agreement with a private attorney to enforce or collect medical support and other third-party benefits for the state under the Medicaid Third-Party Liability Act may not exceed an amount calculated in accordance with the lodestar process approved by the Florida Supreme Court. This amendment also provides that such fees shall be set according to the number of hours reasonably expended on the matter and the reasonable hourly rate for the services provided by the private attorney. In the case of a contingency fee, the lodestar figure calculated may include a contingency risk multiplier not greater than 2. This amendment reinstates identical language to that contained in HB 3077, 1st Eng., which language was not included in the Senate's strike-everything amendment to the bill. **House Amendment 1** also restores the title of the bill to its form prior to the Senate amendment. The title proposed by **House Amendment 1** designates the measure as an act relating to "Medicaid provider fraud," while **Senate Amendment 060454** designates the measure as an act relating to "Medicaid third-party liability."

**House Amendment 2** revises the retroactive effective date contained in **Senate Amendment 060454**, to establish a limitation on the provisions in the effective date preserving the Medicaid third-party liability law as it existed on the date the state's lawsuit against the tobacco industry was filed -- in the event the state's settlement with the tobacco industry is challenged. The limitation or caveat proposed by **House Amendment 2** is that new language regarding attorney's fees (see **House Amendment 1**, above) would govern instead of the law as it existed in 1995, when the lawsuit was filed. This amendment reinstates identical language to that contained in HB 3077, 1st Eng., which language was not included in the Senate's strike-everything amendment to the bill. The effective date language proposed by **House Amendment 2** does not include

SPONSOR: Representative Goode and  
Representative Dockery (Rules and  
Calendar Committee and Senators Clary,  
Williams, Dyer, and others

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language in the Senate strike-everything amendment specifying that, in the event of a challenge, the state's action against the tobacco industry "remains covered by" the law as it existed on the filing date of the action.

**House Amendment 2** also restores the title of the bill to its form prior to the Senate amendment. The title proposed by **House Amendment 2** designates the measure as an act relating to "Medicaid provider fraud," while **Senate Amendment 060454** designates the measure as an act relating to "Medicaid third-party liability."