

Chairman Warrey and Members of the Committee:

My name is Marina Spahr, and I serve as the Director of the Medicaid Fraud Control Unit (MFCU). I am here today on behalf of the Office of the Attorney General and the MFCU to provide testimony regarding House Bill 1454. The Office of the Attorney General opposes this bill because it would unnecessarily restrict MFCU's access to records and significantly hinder our investigative authority.

Our specific objection pertains to lines 9–11 of the bill, which state:

*"Notwithstanding any other provision of law, a state agency, political subdivision, or any other government entity, may not require an individual to take, receive, or disclose whether the individual has taken or received a medical product..."*

MFCU relies on its investigative subpoena authority to review medical and health records, a critical component of its statutory mandate to investigate Medicaid billing fraud—including cases involving drug diversion and kickbacks—as well as instances of patient abuse and neglect in healthcare facilities. The restrictions outlined in this bill would severely impair our ability to access critical information, effectively halting investigations and compromising our statutory responsibilities under North Dakota Century Code 50-24.8.

Moreover, the broad definition of "medical product" in the bill compounds these concerns. Such a sweeping provision limiting disclosure of almost all medical records undermines patient protections, limits our ability to hold wrongdoers accountable, and removes essential tools needed to safeguard individuals in healthcare facilities. Preserving the integrity of investigations and ensuring accountability must remain a priority as this legislation is considered.

As an alternative to outright elimination of the proposed language, the Committee could consider a more narrowly tailored amendment, such as: *"This section does not apply to enforcement actions under chapters 50-24.8."* Incorporating this language into N.D.C.C. § 32-12.1 could help mitigate the potential impact on essential investigative and enforcement efforts.

In conclusion, the Office of the Attorney General strongly urges the Committee to remove or amend the provisions in HB 1454 that restrict access to medical records or medical product

information vital to MFCU's work. Doing so is essential to ensuring that investigations can proceed without obstruction and that ND taxpayer dollars and citizens are protected.

Thank you for your time and thoughtful consideration. I welcome any questions the Committee may have.

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