



ADMINISTRATIVE RULES OF MONTANA



24.40.1101 FRAUD DETERMINATION - FALSE STATEMENT OR FAILURE TO DISCLOSE

- (1) If the department identifies information indicating possible fraud, meaning the department has reason to believe a claimant may have made a false statement or representation or failed to disclose a material fact in order to obtain or increase benefits, the department shall investigate and adjudicate the issue pursuant to the procedures in ARM 24.40.831. The department shall apply the specific analysis below in (2) or (3) and (4) and (5) to any determination of fraud.
- (2) The department may, in its sole discretion, make a redetermination of fraud for up to three years after the date of the claimant's original determination.
- (3) A claimant will be determined to have made a false statement or representation knowing it to be false to obtain or increase benefits upon a finding that:
 - (a) the claimant, or the claimant's agent, personally made the statement or representation in question;
 - (b) the claimant, or the claimant's agent, knew that the statement or representation was false; and
 - (c) the statement or representation was made in connection with the claimant's claim for benefits and was material to a determination of the claimant's benefit entitlement.
- (4) A claimant will be determined to have knowingly failed to disclose a material fact to obtain or increase benefits upon a finding that:
 - (a) the claimant, or the claimant's agent, had knowledge of the fact in question;
 - (b) the fact in question was material to a determination of the claimant's benefit entitlement;
 - (c) the claimant, or the claimant's agent, failed to disclose the fact in question; and,
 - (d) the claimant, or the claimant's agent, knew that the fact in question was required to be disclosed to the department for the proper administration of the claim.
- (5) A determination or decision finding fraud under (3) or (4) must be supported by a preponderance of the evidence and specifically cite the evidence in support of each subsection.
- (6) A determination or decision finding fraud under (3) or (4) shall impose the appropriate administrative penalty pursuant to ARM 24.40.1103.

Implementing statute(s): 39-51-2402, 39-51-3201, MCA

History: NEW, 2024 MAR p. 1458, Eff. 7/1/24.