

**Name:** Fraud and Abuse Policy  
**Current Effective Date:** 3/19/09

<b>Scheduled Review Date:</b> 3/19/10		
<b>Date of Origin:</b> 5/25/05	<b>Date Removed:</b>	
<b>Responsible Department:</b> Government Affairs		
<b>Approval(s):</b>	Compliance Committee	Lipa Board
<b>Distribution:</b>	Staff, Providers	

## A. Purpose

In compliance with all state and federal regulations, including the Deficit Reduction Act of 2006, and Lipa's contract with the Division of Medical Assistance (DMAP) Programs, Lipa is committed to combatting fraud, waste and abuse, and follows strict guidelines in the event of any reported or suspected cases of fraud, waste or abuse against any contract that Lipa is responsible for administering. All suspicions reported will be dealt with in a confidential and timely manner, as specified in the Fraud & Abuse Procedure.

Patient abuse and suspected patient abuse are typically identified through Lipa's complaint process and are reported to the appropriate authorities; in addition, suspected patient abuse by a provider is reported to and addressed by Lipa's Peer Review Committee.

## B. Definitions

Word / Term	Definition
Fraud	Purposeful billing for services not provided or billing for a service that has a higher reimbursement than the service provided. (Source: hhs.gov Glossary)
Abuse	Provision of services not needed, or payment for items or services that are billed in error and should not be paid for by Medicare. This is not the same as fraud. (Source: hhs.gov Glossary)
Patient Abuse	Mental, emotional or physical abuse of a patient.
Deficit Reduction Act of 2006 (DRA)	Federal legislation requiring formal fraud and abuse programs for entities with > \$5 million contracts with the government.
False Claims Act	Federal legislation employed by the DRA to recover money paid for false claims or other types of fraud or abuse.
Whistleblower / Whistleblower Protection	An individual who reports suspected fraud or other wrong-doing. Federal and state laws prohibit retaliation against whistleblowers, sometimes called a relator,

## C. Policy

Lipa's practices regarding fraud and abuse are integrated into several policies which complement this Fraud and Abuse Policy; these policies are cited in Section D, Related Material, and are summarized within this Fraud and abuse Policy. In accordance with the Deficit Reduction Act of 2006, Section 6032, Lipa's fraud and abuse practices include the following elements:

1. False Claims education – Lipa implemented its False Claims Recoveries Policy and Information to educate staff and contracted providers about applicable laws related to false claims and about protections for individuals reporting false claims, etc., including the Deficit Reduction Act and applicable State laws as listed in the policy.

- 1.1. Specific education about the Deficit Reduction Act - The False Claims Recoveries Policy and Information and other material distributed to staff is designed to educate staff about specific state laws pertaining to false claims and fraud (a detailed list appears in the policy) and about the responsibility of individuals to maintain awareness of fraud, waste and abuse issues and to report suspicious activity detected in the course of one's work. The False Claims Recoveries Policy and Information is readily accessible to staff in a central policy and procedure database and is a component of new employee compliance education. This education states Lipa's prohibition against retaliation, as required by the law and as outlined in Lipa's Complainant and Whistleblower Protection Policy.
- 1.2. Examples of fraud or abuse which might be evident during the course of daily work - this includes occurrences ranging from evidence of consistent upcoding by physicians to indications of purposeful altering of records to attempts to solicit kickbacks. For a more detailed listing of potential fraud and abuse examples, refer to both the False Claims Recoveries Policy and Information and the Oregon Health Plan Fully Capitated Health Plan Agreement.
- 1.3. Lipa undertakes education and training for all employees and contracted providers in accordance with Section 6032 of the Deficit Reduction Act of 2006.
  - 1.3.1. The Employee Compliance Training Policy affirms Lipa's commitment to provide training on fraud, waste and abuse, false claims recoveries and whistleblower protections, as well as HIPAA compliance and awareness of other regulatory or contractual requirements. New employees are provided with a comprehensive overview of these topics on the day of hire, and these topics are part of ongoing formal and informal education for all staff.
  - 1.3.2. Contracted providers receive a Provider Compliance Package which includes Lipa's Fraud & Abuse Policy, the False Claims Recoveries Policy and Information, the Complainant and Whistleblower Protection Policy, and the Non-Compliance Policy, which outlines sanctions for failure to comply with Lipa's policies on fraud, waste and abuse. This package is also posted for providers on Lipa's website.
2. A Code of Conduct for all staff - The Employee Code of Conduct is communicated at hire, and new staff are required to sign an affirmation statement at that time. The Employee Code of Conduct is always available to staff on the company's internal website.
3. Compliance Officer – Lipa has appointed a Compliance Officer who reports directly to the CEO and the board of directors. In addition, an active Compliance Committee is involved in fraud and abuse monitoring and investigation.
4. Lipa does not employ or contract with persons or entities who are currently suspended, debarred or otherwise excluded from participating in the Medicare program or excluded from the Oregon Health Plan Division of Medical Assistance Programs, as detailed in the policy, Ensuring a Compliant Workforce.
5. Availability of Information to All Staff - This Fraud and Abuse Policy and the policies which complement it are readily accessible to staff in a central policy and procedure database and to contracted providers on the Lipa website.
6. Options for making complaints – Lipa provides several options to individuals wishing to make complaints, including a confidential hotline, and has a well-publicized process for receiving complaints, for protecting the anonymity of the complainant and for protecting the complainant against retaliation.

- 6.1. Lipa's Member Handbook, website, and member newsletter inform plan members about how to complain and about rights and protections for complainants. See Section 7 on protections for complainants.
- 6.2. Lipa staff receive training about detection of fraud and how to report it.
- 6.3. Individuals may report suspected fraud and abuse concerns directly to DMAP, CMS or other government agencies, rather than to Lipa.
- 6.4. The Qui Tam provision of the Deficit Reduction Act of 2006 enables a private person to bring a lawsuit in the name of the United States if s/he has personal knowledge of a false claim. This individual, whom the Act calls a Relator, can potentially share in any monetary recovery which might result if the government were to accept the case and if the lawsuit were successful.
7. Protections for Complainants - Federal and State legislation protects individuals who report suspected fraud and abuse or other types of complaints. Lipa's Complainant & Whistleblower Protection Policy informs staff, plan members and contracted providers about these protections; about how to report suspected fraud; how to make an anonymous report, if desired; and about the option to report directly to a government agency, rather than Lipa. This policy is a component of new employee education.
8. Monitoring for Fraud and Abuse Detection – Lipa employs the use of risk evaluation and fraud and abuse detection techniques to monitor compliance and assist in the reduction of problem areas or behavior. As outlined in the Monitoring and Auditing Policy, Lipa audits and monitors all health plan functions against the Managed Care Organization (MCO) Compliance Protocol guide for compliance with state and federal law, Oregon Health Plan (OHP) rules and regulations, and Lipa's own policies and procedures.
  - 8.1. If made aware of fraud and abuse by Lipa members, Lipa reports the incident to the DHS Fraud Unit, using the address, phone or fax number provided in Lipa's contract with DMAP.
9. Organizational Response to Allegations of Fraud, Waste or Abuse – The Fraud and Abuse Procedure outlines Lipa's process for a confidential response to reports of suspected abuse, including investigation, assembly of a case file, presentation to the Lipa Compliance Committee and forwarding to the Medicaid Fraud Control Unit when warranted.
  - 9.1. Lipa has developed an internal problem resolution / corrective action process to correct identified systemic problems, as outlined in the Initiation of Issue Resolution and Corrective Action Plans Policy. The issue resolution process is indicated for intradepartmental, non-regulatory issues with expected resolution time of 2 weeks or less; the corrective action process is indicated for a regulatory or compliance issue which affects more than one department and for which resolution is anticipated to take longer than 2 weeks. In addition, an issue resolution process taking more than 2 weeks will become a corrective action. This issue resolution / corrective action process includes a system to track detected offenses and the corrective actions taken.
10. Non-Compliance – Lipa publicizes its disciplinary guidelines through the distribution to staff and contracted providers of a Non-Compliance Policy which informs about specific types of non-compliance for which disciplinary actions will be taken; outlines the potential disciplinary action for those types of infractions; outlines a requirement to report to law enforcement and the OIG or other agency, any indications of criminal activity; and includes documentation requirements for the sanctioning/disciplinary process.

## ***D. Related Material***

Name	Location
Fraud and Abuse Procedure	SharePoint Policy and Procedure Database
Employee Code of Conduct	Agate Staff Pages
False Claims Recoveries Policy & Information	SharePoint P&P Database Agate Staff Pages Provider Compliance Package, Website
Complainant & Whistleblower Protection Policy	SharePoint P&P database Agate Staff Pages Provider Compliance Package, Website
Employee Compliance Training Policy	SharePoint P&P database
Ensuring a Compliant Workforce Policy	SharePoint P&P database
Non-Compliance Policy	SharePoint P&P database Agate Staff Pages Provider Compliance Package, Website
Monitoring and Auditing Policy	SharePoint P&P database
Monitoring and Auditing Procedure (in development)	
Initiation of Issue Resolution and Corrective Action Plans Policy	SharePoint P&P database