

**STARPOINT
POLICY AND PROCEDURE**

TITLE: Deficit Reduction Act of 2005 SECTION: _____

REFERENCE: Colo Dept. of Health Care Policy and Financing _____

WRITTEN BY: Claudia Stevens, HR Director DATE: 04/16/2007

ADOPTED BY: Directors DATE: 04/16/2007

REWRITTEN/REVIEWED BY: Claudia Stevens DATE: 01/09/2017

REWRITTEN/REVIEWED BY: _____ DATE: _____

REWRITTEN/REVIEWED BY: _____ DATE: _____

STAFF HANDBOOK: YES () NO () Disseminated to staff and contractors

Starpoint Policy
Regarding Fraud, Waste, Abuse and Reporting
Compliance with the Deficit Reduction Act

Starpoint is committed to following local, state and federal laws, rules and regulations. To assist us with our commitment to appropriate and legal conduct, all employees and contractors, associated with Medicaid programs and their monitoring, are encouraged and expected to report any violations that come to their attention. If an employee believes that a representative of Starpoint is billing for services that (i) were not actually provided (services that did not occur or are improperly coded); (ii) were medically unnecessary; or (iii) were provided in a significantly sub-standard manner, the employee should immediately contact one of the following Starpoint Administrators: the Chief Executive Officer, Managing Director, Chief Financial Officer, Human Resources Director or Supports and Services Directors. These administrators will then immediately report the concern to the designated Compliance Officer (Human Resources Director). Starpoint policies are designed to prevent fraud, waste and abuse in connection with payments by the federal government for health care services and promote ethical conduct by our employees.

Federal and state laws concerning penalties for submitting false and fraudulent claims to the government are discussed below. We want you to know about federal and state laws concerning penalties for submitting false or fraudulent claims. We also want you to be aware that employees or contractors who act as “whistleblowers” when they believe false or fraudulent claims are being submitted receive certain protections under law.

The two major federal laws concerning the submission of false or fraudulent claims for payment to Medicare, Medicaid or other federal health programs are:

1. Federal False Claims Act 31 USC Sections 3729 through 3733. Known as the FCA, this statute makes a person civilly liable if he or she:

- knowingly presents, or causes to be presented, a false or fraudulent claim, record or statement for payment and approval;
- conspires to defraud the government by getting a false or fraudulent claim allowed or paid;
- uses a false record or statement to avoid or decrease an obligation to pay the government; or
- commits other fraudulent acts listed in the statute.

A person acts “knowingly” if he or she has actual knowledge of the falsity of the submitted information, or acts in “deliberate ignorance” or “recklessly disregards” the truth or falsity of the information. Penalties for providers such as the organization that file false claims are between five and eleven thousand dollars per claim, plus a penalty of up to three times the amount of the payments falsely received, plus the costs of the legal action brought to recover the money improperly paid.

The FCA allows individuals who have first-hand knowledge of such misconduct to sue the entity that submitted the false claim on behalf of the United States. If the suit results in recovery of funds for the government, the individual can share in a percentage of the recovery. If the suit is found to have been for the purpose of harassing the employer, and/or the case has no merit, the individual may have to pay the defendant for its legal fees and the costs of its defense.

The FCA protects employees who act as whistleblowers from retaliation by their employers. An employee may not be discharged, demoted, suspended, threatened, harassed or discriminated against in the terms and conditions of employment because of lawful actions taken by the employee in connection with an action under the FCA. If the employee can demonstrate that he or she was the victim of such retaliation, the employee is entitled to reinstatement, double back pay plus interest and reimbursement of other costs and damage.

2. Federal Administrative Remedies for False Claims 31 USC Sections 3801 through 3812. This federal law is similar to the FCA and creates a penalty for submitting a false claim of up to \$5,000 per claim and twice the amount of the claim. This law is violated when a false claim is submitted, not when it is paid. Under this statute, investigations and recoveries are handled by federal agencies, not the courts. Although private individuals may report violations to the government, there is no option for the whistleblowers to share in the amounts recovered.

It is the procedure of Starpoint that employees of Starpoint be provided notice of this procedure Regarding Fraud, Waste, Abuse and Reporting. It will be reviewed in employee orientation and placed in the Starpoint employee handbook.