

**PROTECTING YOURSELF FROM  
FRAUD, WASTE, AND ABUSE  
BASIC COMPLIANCE TRAINING  
FOR CASE MANAGEMENT STAFF**

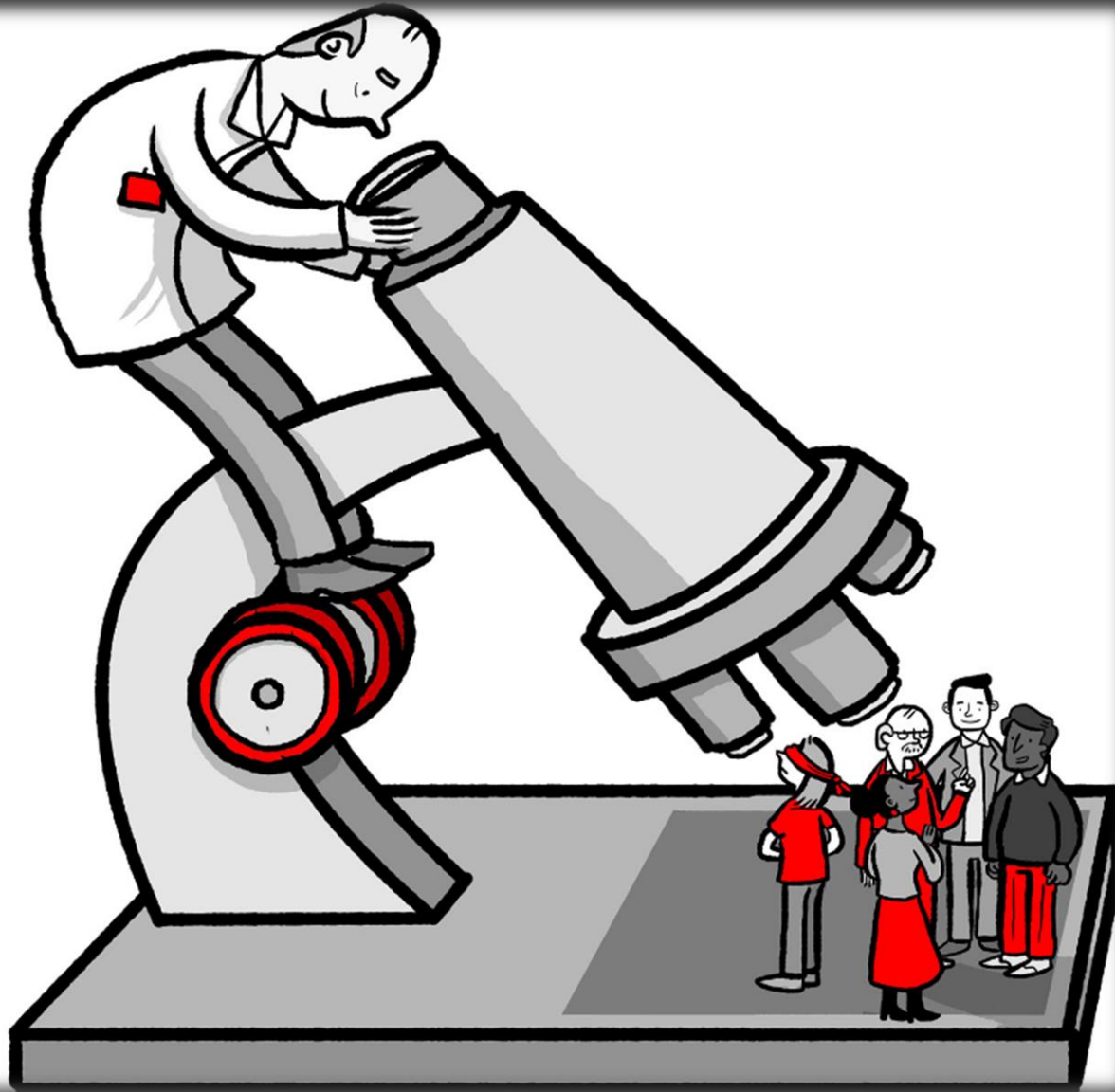
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SAM, Inc. Corporate Compliance Officer

# Agenda

- Introduction and Training Goals
- Discuss the Importance of FWA Awareness in the CM Profession
- FWA Definitions
- Apply Learning in Case Examples
- Red Flags of FWA
- Discussion of Applicable Laws and Expectations – Discuss Case Example

# Why is Fraud, Waste, and Abuse (FWA) Training Important?

<https://www.youtube.com/watch?v=znUAyLqyEgQ>



# Training Goal

*To prevent and detect overpayment related concerns and assist with their resolution*

# Introduction Statement

*This training is intended to provide you with best case management practices as they relate to Federal fraud, waste, abuse and related laws.*

# Introduction Statement - Continued

*Although State FWA laws and individual funder requirements are often derived from Federal FWA laws...*

# Introduction Statement - Continued

*...this training is not intended to address requirements that are specific to your State or requirements that are specific to your individual funders.*

# Why Should You Be Concerned With FWA?

- Your Funding Source – Healthcare Dollars
- Funder Mandate – Return of Overpayments
- Funders are Scrutinizing CM Providers More Than Ever!



# Knowledge is POWER

## ◎ Power to Protect:

- The Individuals You Serve
- Your Reputation, Your Job, and Your Career
- Your Employer's Reputation



# MENTI

What do Case Management  
Funders Expect?

# What do Case Management Funders Expect?

- Accurate Documentation
- Accurate Billing

So, What's the Big Deal?

Inaccurate Documentation  
and  
Inaccurate Billing

Unnecessary Costs

# Unnecessary Costs = Overpayments

- Fraud
- Waste
- Abuse



# So – What is FWA, Anyway?

- Fraud - Unnecessary Costs Caused by a Deliberate Act of Deception for Reasons of Personal Gain



Can Fraud be Caused by An  
Honest Mistake?

*No*



# So – What is FWA, Anyway? Continued

- Waste – Unnecessary costs caused by an overuse or a misuse of resources





# So – What is FWA, Anyway? Continued

- Abuse – Unnecessary costs caused by bad business practices



	Fraud	Waste	Abuse
Unnecessary Cost	X	X	X
Deliberate Deception (Intent)	X		
Personal Gain	X		
Overuse of Service		X	
Bad Business Practice			X

# You Decide... 1<sup>st</sup> Case

- Compliance Investigation Determined
  - CM billed for a service that didn't occur and claimed travel reimbursement
    - CM states that she writes notes and completes travel form prior to the contact
  - 29 of 33 billed phone calls were not billable.

# MENTI

You Decide... What's the Verdict?

- Unnecessary Costs?
- Deliberate Act of Deception?
- Personal Gain?

# You Decide... 2<sup>nd</sup> Case

- Compliance Investigation Determined
  - CM was ending service notes and projecting the end time of the contact.
  - No content in note for the services provided for the forecasted end time.

# You Decide... What's the Verdict?

- Unnecessary Costs?
- Deliberate Act of Deception?
- Personal Gain?

# You Decide... 3<sup>rd</sup> Case

- Compliance Investigation Determined
  - CM repeated billing for service planning
    - “Spoke with treatment team...”
    - “Spoke with parents...”
    - “Revising service plan...”
    - + Billing for the time it took to write the service notes



Billings





# You Decide... What's the Verdict?

- Unnecessary Costs?
- Deliberate Act of Deception?
- Personal Gain?

*Video*



**We should have a compliance plan!**

# Why Are CM's Vulnerable to Situations Involving FWA?

Program Funding

VS

Fee For Service Funding

# Red Flags of FWA

- Overlapping Services
- Rounding Up of Time to Reach a Billable Unit
- Documentation Which Doesn't Substantiate the Units Billed
- Billing for Non Billable Services
- Billing for Services Which Didn't Occur



# Red Flags of FWA - Continued

- Submitting Duplicate Notes
- Submitting for Travel Reimbursement:
  - Overstated
  - Collecting for Travel Which Didn't Occur

What is the name of the ***federal*** governmental agency charged with identifying, auditing, and investigating fraud, waste, abuse, and mismanagement involving healthcare funds?



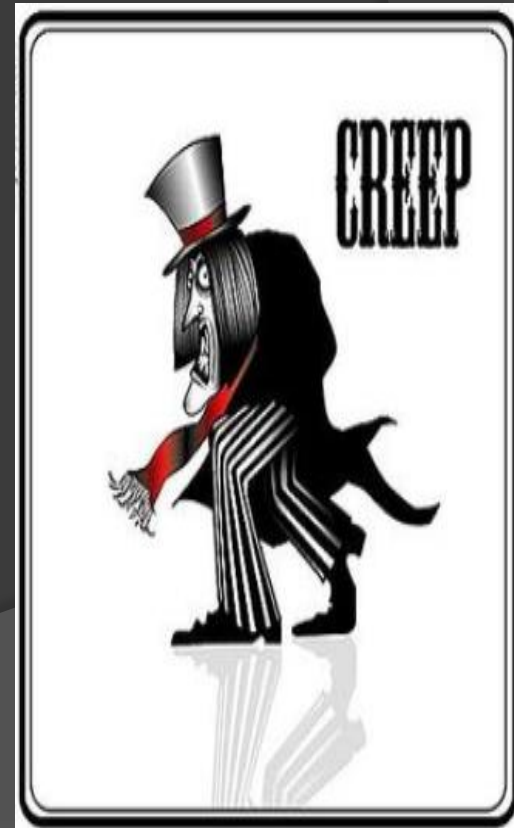
# What Does the OIG Say?

“Each time a staff submits a note, the staff affirmatively represents that the service is both truthful and that the service was provided consistent with program requirements.”



# CREEP – The OIG Definition

- “Work practice habits which cause inflated reimbursement amounts”.
  - Overbilling
  - Padded billing
  - Rounding up of time to reach a billable unit.



# Federal Laws Impacting Case Management

- False Claims Act
  - Whistle Blower Provision
- Anti-Kickback Statute
- MA Exclusions

# The Anti-Kickback Statute

- Prohibits the exchange (or offer to exchange), of anything of value, in an effort to induce (or reward) the referral of federal health care program business.

<https://www.youtube.com/watch?v=...>



# MA Exclusions

1. Criminal Charges Lead to Exclusion from Participation in Federal Health Care Programs
2. Providers Must Prevent Payment to Excluded
3. If Excluded:
  - a) Can Not Provide Service Reimbursed by Federal Health Care Dollars or DPW Funds
  - b) May Lose Clinical License
4. Monthly Screening of Employees and Contractors

# The False Claims Act – What is it?

- The False Claims Act prohibits any person from:
  - Causing a false claim to be presented (staff that provide billable services)
  - Knowingly presenting a false claim (fiscal billing staff)

# Local Psychiatrist Violates False Claims Act

- Pled guilty to billing for services during a time he was out of the Country.
- Investigated by: OIG, FBI, US Attorneys Office
- Total false claim billing amount: \$322.75
- Total penalty amount: \$95,000 plus 2 years probation, and 80 hours community service.
- EXCLUDED: Can no longer provide service to:
  - Consumers with Medicare or Medicaid
  - Consumers funded by any funds originating from DPW
    - To include SAM, Inc.
    - SAM contract terminated

# False Claim Act - Penalties

## ● Penalties for Submitting False Claims to Federal Healthcare Programs

- Up to 3 times the false claim amount in penalties.

**PLUS**

- \$5,500 to 11,000 per false claim

# False Claims Act

Continued

## ⦿ Requirements

- Repayment of overpayments
- Self Audits

## ⦿ Whistleblower Provision

- Encourages Reporting of Actual Knowledge
- Prevents Retaliation



# DOJ Memo – Sept 2015

“One of the most effective ways to combat corporate misconduct is by seeking accountability from the individuals who perpetrated the wrongdoing. Such accountability is important for several reasons: it deters future illegal activity, it incentivizes changes in corporate behavior, it ensures that the proper parties are held responsible for their actions, and it promotes the public's confidence in our justice system.”



U.S. Department of Health & Human Services

# Office of Inspector General

U.S. Department of Health & Human Services

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## Media Materials: National Health Care Fraud Takedown 2016

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## OIG Home Page

- Largest health care fraud “takedown” in history in June 2016.
- 300 defendants - \$900 million in false billings to Medicare and Medicaid.
- Takedowns protect Medicare and Medicaid and deter fraud.
- The money taxpayers spend fighting fraud is an excellent investment:
  - For every \$1.00 spent on health care-related fraud and abuse investigations in the last three years, more than \$6.10 has been recovered.

# Key Takeaways

- ◎ Your documentation and billing must be exact.
- ◎ Ask yourself: *“Is my effort resulting in an expense to my employer or a funder? If so, could I conceivably have created an unnecessary cost?”*
- ◎ When in doubt – report! – Transparency is Key!
  - If you realize you may have caused an unnecessary cost.
  - If you suspect a colleague has or will cause an unnecessary cost.

# Video

Compliance: The Musical









**Questions**