



# Fraud, Waste and Abuse (FWA) & Compliance

# Objectives

- Understanding responsibilities.
- Knowing preventative measures.
- Meeting the regulatory requirement for training and education.
- Defining Fraud, Waste and Abuse (FWA) & knowing the difference.
- Knowing who can be involved in FWA.
- Knowing how we fight against FWA.
- Knowing the oversight authorities.
- Understanding consequences of FWA.
- How to report FWA.



# What are my responsibilities?

You are a vital part of the effort to prevent, detect and report Non-compliance as well as possible fraud, waste, and abuse.

- First, you are required to comply with all applicable statutory, regulatory, and Medicaid requirements, including adopting and implementing an effective compliance program.
- Second, you have a duty to the Medicaid program to report any violations of laws of which you are aware.
- Third, you have a duty to follow VAAA's Rules of Conduct that articulates our commitment to standards of conduct and ethical rules of behavior.

\* Non-compliance is conduct that does not conform to the law, and Federal Health care program requirements or to VAAA's ethical and business policies.

# Program Integrity Requirements

- We are required to detect, report and prevent Fraud, Waste and Abuse. Also, your timeliness is key to ensure our losses can be kept to a minimal by analyzing the data as soon as possible.
- Reports are submitted on a quarterly & annual basis to the (Office of Inspector General) OIG, which include:
  - Overpayment issues
  - Billing for services not provided (while not at home or falsifying timesheets)
  - Other monetary issues



# Provide Participant Education

The program handbook must be reviewed with the participant at least annually.

The review of Fraud and Abuse ensures the participant understands the program and the importance of reporting suspected Fraud and/or Abuse. This also educates who the participant needs to call, whether it is to the Supports Coordinator or another service Agency (such as APS or OIG).

# How do I prevent Fraud, Waste, and Abuse?

- Make sure you are up-to-date with laws, regulations, and policies.
  - Being familiar with VAAA's policies and procedures (e.g., False Claims Act, Rules of Conduct, Provider and Compliance Policies/Procedures).
- Ensure you coordinate with other payers (elimination of duplication of services).
- Ensure data/billing is both accurate and timely.
- Verify information provided to you.
- Be on the lookout for suspicious activity.





# Why do I need Training?

- Every year millions of dollars are improperly spent because of fraud, waste, and abuse. It affects everyone.

Including **YOU!**

- **YOU** protect the public resources that fund the Medicaid programs.
- This training is required annually and will help you detect, correct, and prevent fraud, waste, and abuse.

**YOU** are part of the solution!



# Fraud



Fraud is the intentional act of deception, misrepresentation, or concealment in order to gain something of value. The intent to deceive is high, despite knowing an act is illegal.

Examples:

- Knowingly billing for services not provided or received.
- Knowingly billing for services at a higher rate than is actually justified.
- Accepting bribes.
- Billing for equipment that was returned to the manufacturer.
- Altering invoices, certifying patients/participants as homebound when they were not.



# Fraudulent Activities Specific to YOU

- Determining and/or falsifying records to enroll an applicant in services when you know the person is not eligible for services. This includes service authorizations.
- Conveying that an assessment has been completed when it has not.
- Intentionally documenting false information (i.e. aide logs, case notes, service authorizations).
- Documenting contact with participant(s), family member(s), healthcare professional(s) or vendor(s) that did not take place in order to continue services.
- Attempting to authorize unnecessary services to allow financial gain for a participant, aide, agency or family caregiver.
- Submitting timesheets or signing a blank timesheet that in home services i.e. CLS, personal care, homemaking, respite or any other services was completed, but services were not complete.

# Waste



Waste is the over utilization of services (not caused by criminally negligent actions) and the misuse of resources. The intent to deceive is low.

Examples:

- Unnecessary use of supplies or services.
- Overuse, underuse and ineffective use of services.
- Inaccurate claim data submission resulting in unnecessary rebilling or claims.





# Wasteful Activities Specific to YOU

- Conveying you spent longer in an assessment to decrease workload or additional work requests.
- Staff is made aware services were not received via monthly call and fails to follow Agency procedure that would prevent unnecessary provider billing (need to always cancel service authorizations).
- Using company equipment for personal use (without permission/approval from supervisor).
- A worker/aide sits down, watches television or uses their phone for social media instead of providing services scheduled (even if approved by participant).
- While completing an assessment or providing services you notice services, such as meals on wheels, PERS or medication dispenser, are not being used by participant and you do not address why and remove service when necessary.

# Abuse



Abuse is the excessive or improper use of services or actions that are inconsistent with acceptable business or medical practice. Abuse refers to incidents that, although not fraudulent, may directly or indirectly cause financial loss. The intent to deceive is in the middle.

Examples:

- Providing medically unnecessary services.
- Misrepresenting services resulting in unnecessary cost to Medicaid, improper payments to providers, or overpayments.





# Abuse Activities Specific to YOU

- Bending the rules to benefit a participant or service worker that results in improper payment.
- Submitting timesheet for services you intend to provide in the future.
- Certifying a participant meets LOCD based on their verbal report when physical action indicates opposite, i.e.
  - Participant states he/she is unable to transfer independently, but this person answered the door walking by themselves.
  - Participant reports they do not take medications because they want to continue to use alcohol. No other evidence of deficiencies with planning, organizing or correction of daily routines is needed. This would not be an impaired person because this person is making an informed choice not to take their medication.
  - Participant reports they have a stage 3 pressure sore and there is no corroborating evidence, i.e. skilled care records, doctor's confirmation or treatment plan.
- Any actions you do, or assist in, that directly or indirectly result in unnecessary cost to Medicaid or Medicare.

# Differences between Fraud, Waste and Abuse


There are differences between fraud, waste, and abuse.

One of the primary differences is intent and knowledge.

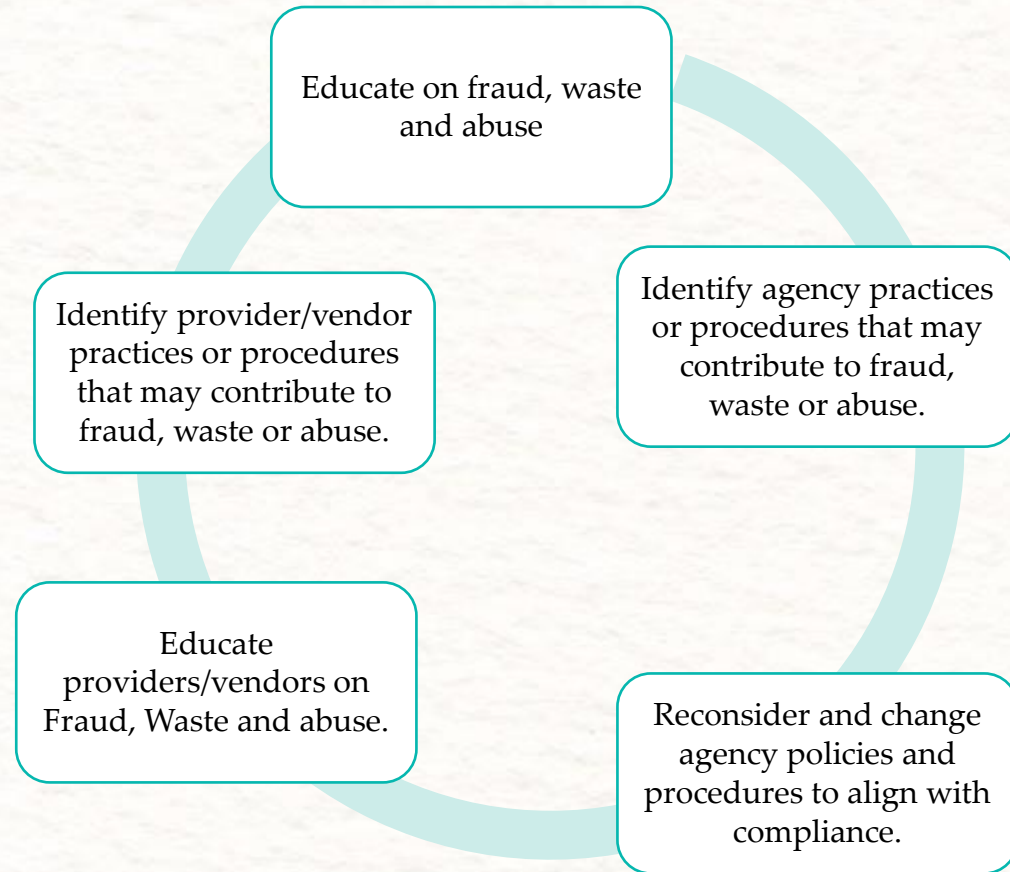
- Fraud requires the person to have an intent to obtain payment and the knowledge that their actions are wrong.
- Waste and abuse may involve obtaining an improper payment but does **not** require the same intent and knowledge.



# Who could be involved in FWA?

- Participants
  - Family/Friends/Neighbors
  - Representatives
  - VAAA Staff
  - Providers/Caregivers
  - Community partners/Formal arranged providers
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# How VAAA will Fight Fraud, Waste & Abuse



By having oversight through:

- Compliance Committee who verifies/reports agency compliance, revises or creates policies and procedures, ensures departments are following federal, state and contract guidelines & identify ways for improvement.
- Compliance Officer who answers compliance & FWA issues, investigates tips, monitors compliance to federal, state and contract guidelines & creates training materials.
- Staff, who provide FWA and theft education to participants & report issues of non-compliance. Also, will be screened for OIG sanctions.
- Providers, who provide FWA and theft education to caregivers & report issues of non-compliance. They will be screened for OIG sanctions, have annual provider audits and biannual provider notices. Also, will be educated on Provider Probation & Overpayment Policies.



# Federal and State Oversight Authorities

- The Office of Inspector General (OIG), U.S. Department of Health and Human Services
- The Office of the State OIG and Medicaid OIG
- Department of Justice (DOJ)
- Centers for Medicare & Medicaid Services (CMS)
- Office of the State Attorney General
- State Medicaid Agencies
- Medicaid Fraud Control Units

# Consequences of Committing Fraud, Waste or Abuse.

## Agency/provider Consequences:

- Mandatory Training/Re-Training
- Disciplinary Action/Probation
- Termination

## Other Consequences:

- Civil Monetary penalties
- Criminal Conviction/Fines
- Civil Prosecution
- Imprisonment
- Loss of Professional License
- Sanctions/Exclusion from Federal Health Care programs
- Default on Health Education Assistance Loans



# FWA Case Example

Six different home health agencies (unknowingly) employed Janet Olatimbo Akindipe of Laurel Maryland to assist Medicaid beneficiaries in performing activities of daily living, such as bed mobility, bathing, dressing and eating. She was required to document the care she provided to the Medicaid beneficiaries on her timesheet, which is submitted to the home health agency, then to Medicaid for services rendered.

- She submitted false timesheets to her employer, reporting she provided personal care services that she did not provide or could not provide, as she was currently out of the United States.
- She claimed she provided services during times she was working at a different full-time job.
- She claimed working more than twenty hours a day on more than 300 occasions.
- She paid kickbacks to get Medicaid beneficiaries to sign falsified timesheets.
- **She was sentenced on January 25, 2021, to 13 months in prison for defrauding the D.C. Medicaid program.**

# Reporting Suspected Cases of FWA

## *Do the right thing!*

Do not “go along” with the status quo. Speak up and speak out (even if you were “trained a certain way”). If it does not seem right, ask questions, look at policy and most importantly, speak to your supervisor.

## *Report Suspected Violations!*

VAAA will not retaliate against an employee for reporting or assisting in a False Claims Act action for making a good faith effort in reporting. VAAA will not retaliate against any of its providers or contractors for reporting suspected cases of fraud, waste, or abuse to us, the federal government, state government, or any other regulatory agency with oversight authority.

## *Act Fair and Honest!*

Do not be concerned about whether it is fraud, waste, or abuse. Just report any concerns to VAAA’s compliance department. The Compliance department will investigate and make the proper determination.

## *Comply with all applicable laws, regulations and standards!*



# Reporting Suspected Cases of FWA cont.

## Website

- <https://valleyareaaging.org/report-suspicious-activity/>

## Email

- [fwa@valleyaaa.org](mailto:fwa@valleyaaa.org)

## VAAA Tip line

- 810-249-6549

\*Reporting can be made anonymously.

## Medicaid Fraud Control Unit (MFCU)

Phone: 1-855-MI-FRAUD (643-7293)

Website to submit online complaint or how to write a letter to the Inspector General:

<https://www.michigan.gov/mdhhs/assistance-programs/healthcare/hifa/report-medicaid-fraud-and-abuse>

**\*\*Fighting Fraud through the Fraud Incentive Program can pay up to 10% or \$1,000, whichever is less, of the state funds recovered. \*\***