Federal/State law: fraud must be reported

As an approved provider or contracted agency with public health and human services departments, employers must comply with all applicable Federal, State and local laws. Therefore, employers **are charged by Federal and State law** with the responsibility of identifying, investigating, and referring to law enforcement officials, **cases of suspected fraud or abuse**.

Fraud is a crime against all taxpayers and is a State and Federal crime.

Employers are mandatory reporters of any suspected fraud.

All cases of possible fraud and program abuse should be reported immediately.

To make a report, please call

1-877-532-8530

Fraud Hotline **Toll Free**

CONSUMER DIRECT CARE NETWORK

Be Aware

PARTICIPANTS

Fraud Prevention Program

- *Understanding fraud and the possible risks*
- *Assuring compliance with Federal and State laws*
- *Preventing fraudulent activities*

CONSUMER DIRECT CARE NETWORK

Prevention Program

Understanding fraud

Because you receive home-based health services, it is important to know what fraud means. Professionals, friends, and even family members can commit fraud.

It is **your responsibility to recognize the signs of fraud** so you can avoid this problem.

Fraud is defined as:

The intentional deception or misrepresentation* that an individual knows, or should know to be false, or does not believe to be true, and makes, knowing the deception could result in some unauthorized benefit to himself or some other person(s).

(Centers for Medicare & Medicaid Services)

****Some States define fraud in varied terms. For example, Alaska defines fraud as "knowingly… with reckless disregard".***

Examples of fraud:

- Using programs to receive unnecessary services and supplies
- Billing for services that were never provided
- Billing for services that pay at a higher rate than those provided
- Submitting hours on a time sheet that employees did not work
- Failing to keep required records or failing to make them available to authorities
- Abusing a program or behaving unethically

Committing fraud

Intentional or reckless fraud results in significant sanctions ranging from oral warnings to a suspension, termination, or financial penalties. There will be consequences for fraudulent conduct. Any Participant or Personal Representative participating in fraudulent acts **will be reported to Medicaid Fraud units** and subject to **possible discharge from the company.**

If a Participant or Personal Representative gives false information or knows of false information and fails to report it, they may be convicted of a **crime**. It may also result in **large fines** or **jail time**.

Preventing fraud

Components to help prevent fraud:

- Participants receive initial and ongoing **training on fraud topics** (regular fraud prevention training, as well as education topics in newsletters).
- **All employees** are required to pass a criminal and Office of Inspector General (OIG) **background check.**
- Acknowledgement and anti-fraud statement included on every time sheet. Documents and time sheets are audited weekly.
- A **Fraud Prevention Hotline** for response to compliance issues.

These components are in line with the employer's goals:

- Promoting **integrity** and **ethical behavior**
- Assuring **compliance with all governmental** laws, rules and regulations
- Supporting ethical standards, standards of conduct and **zero tolerance for fraud and abuse**