



Fraud and Abuse Provider Training



What is Medicaid fraud?

Medicaid Fraud is defined as: An intentional deception or misrepresentation made by a health care provider with the knowledge that the deception results in unauthorized benefit to him or herself or some other person. It includes any act that constitutes fraud under federal or state law related to Medicaid.



What is Medicaid abuse?

Medicaid Abuse is defined as: Provider practices that are inconsistent with generally accepted business or medical practices and that result in an unnecessary cost to the Medicaid program or in reimbursement for goods or services that are not medically necessary or that fail to meet professionally recognized standards for health care.



Deficit Reduction Act of 2005

- The Deficit Reduction Act (DRA) of 2005 was signed into Public Law with a goal to eliminate fraud, waste and abuse in the Medicaid programs.
- Healthcare entities were required to establish written policies for all employees, including contractors, providing detailed information about whistleblower protections, and provisions for detecting and preventing fraud, waste and abuse.
- The DRA increased funding for the OIG's Medicaid fraud and abuse control activities. The funding allows the Secretary to establish the Medicaid Program Integrity (MPI) to promote the integrity of the Medicaid program.



What is the False Claims Act?

The False Claims Act (FCA) is a federal statute that provides a course of action for a government to bring statutory fraud charges against a defendant for the submission of a false claim to the government for payment.



False Claims Act (FCA)



Any person can violate the act if:

- Knowingly presents, or causes to be presented to the U.S. Government a false or fraudulent claim for payment;
- Knowingly makes, uses, or causes to be made or used, a false record or statement to get a false or fraudulent claim paid or approved by the government;
- Conspires to defraud the Government by getting a false or fraudulent claim paid or approved by the Government;
- Knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the Government.

Penalties for False Claims

Those who violate the Act are liable to the U.S. Government for a civil penalty of not less than \$5,000 to \$11,000 under the Federal Law and \$5000 to \$10,000 under the Florida Law plus three times the amount of damages sustained by the government. No proof of actual damages such as payment of the claim is needed to prove a violation of the False Claims Act.





What is “Qui Tam”?

The “Qui Tam” provision of the False Claims Act:

- Permits the Attorney General to investigate and file civil actions to recover penalties for false claims and fraudulent billing
- Allows a citizen to file litigation against any entity that has defrauded the U.S. Government. The Act can offer substantial financial rewards to individuals (also known as “whistleblower”) that provide previously undisclosed information that leads to a settlement or judgment against the defendant.
- “Whistleblowers” are protected by the False Claims Act. Provider can report suspected fraud and abuse without fear of retaliation.

Ensure Compliance

- Services are deemed medically necessary based on patient's needs
- Medical necessity is documented in the patient's medical record
- Ensure orders are documented in the patient's medical record
- All billing, coding, and reimbursement rules are followed
- Don't bill for services not rendered





Fraud Prevention

Contact SFCCN or your contracted subnetwork if you have any information relating to fraud and abuse:

- SFCCN Compliance Officer: (305)430-2842
- MHS Compliance Unit: (954) 985-5855
- PHT Compliance Unit: (866)964-1983
- NBD (aka Broward Health) Compliance Unit: (888)511-1370

You can also report suspected fraud and abuse directly to the following state and regulatory fraud prevention departments:

- Florida MPI Fraud & Abuse Hotline: (888)419-3456
- Florida Attorney General Hotline: (866)966-7226
- DHHS OIG Hotline: (800)447-8477