



Federal False Claims Act

Information Session

Federal False Claims Act



DRA requires health care organizations who provide, bill, or pay out more than \$5 million annually in Medicaid to inform managers and staff about the Federal False Claims Act.

The DRA



- Changed the role of a compliance plan from a suggestion or best practice to a mandate.
- Day to day management of Medicaid was previously the responsibility of the states; now the Federal Government has the manpower and funds to monitor for themselves.

The False Claims Act



The Federal False Claims Act aids the federal government in combating fraud and recovers losses due to fraud committed in federal programs, such as Medicare and Medicaid.

 For additional information, click the following link:

[False Claims Act Education](#)

The False Claims Act

Violations of the False Claims Act can include “knowingly”

1. Submitting a false claim for payment;
2. Making or using a false record or statement to obtain payment;
3. Conspiring to make a false claim or get one paid;
4. Making or using a false record to avoid payments to the US Government.



The False Claims Act (cont., 2)

Defining “Knowingly” – A person who:

- Has actual knowledge that the information is false;
- Acts in deliberate ignorance of the truth or false information;
- Acts in reckless disregard of the truth or false information.



The False Claims Act (cont., 3)

NC Medical Assistance Provider False Claims Act:

It shall be unlawful to knowingly:

- Present to the Medical Assistance Program a false claim for payment or approval;
- Make or use a false record to get a fraudulent claim paid or approved by the Medical Assistance Program.



North Carolina General Statute

Misuse of confidential information

NC State employees* prohibits using confidential information for personal gain or aiding another to gain. Violation constitutes a misdemeanor (See NC G.S. 14-234.1).



* This includes NC State employees & state's political subdivisions, which includes LME's


North Carolina General Statute

Misuse of confidential information

Employees who are responsible for preparing plans, bid specifications or estimates for contracts cannot give or receive gifts or favors from contractors*. Violation (giver or receiver) constitutes a misdemeanor. (See NC G.S. 133-32).

For additional information, click the following link:

[WCHS Notice of Contractors & Subcontractors](#)

* This includes subcontractors, suppliers, or those that have performed (or bid) under a contract within the past year.

Examples of False Claims:



- Claims for a service or supply that was never provided;
- Indicating a higher level of service than was actually provided;
- Documenting a service the provider knows is not reasonable and necessary.

North Carolina Providers



Previous investigations have found that the providers submitted bills for services they did not perform, failed to adequately document services or were lax in their oversight of subcontractors.

Conflict of Interest



Local Government employees are prohibited from secondary employment with any company* under contract or that anticipates entering into a contract agreement with the government entity.

* This includes business, individual, private practice or agency

“Whistleblower” Protections



Federal and State laws protect individuals who investigate or report possible false claims made by their employer.

 For additional information, click the following link:

[Whistleblower Protections](#)

Policies and Procedures

Detecting & Preventing Fraud and Abuse

If you are an employee*

- Exercise good faith and honesty;
- Observe all laws and regulations within WCHS regarding Medicare, Medicaid and other federal programs.
- Maintain accurate medical records and submit accurate claims.

* This includes volunteers, vendors, agents or contractors with WCHS

Policies and Procedures (cont.)

Detecting & Preventing Fraud and Abuse

- Provide accurate and truthful information;
- Contact resources available within WCHS if you have knowledge or concerns regarding a false claim*.
 - Speak to your supervisor or another manager
 - If it has not been resolved, contact Wake County Internal Auditor.

* You may report the incident anonymously.

Reporting Process



To report instances of suspected fraud or abuse, contact:

Wake County Internal Auditor
Wake County Finance Department
337 S. Salisbury Street
Raleigh, NC 27601
(919) 856-6120
(919) 856-6880 (fax)