

## Progress Industries Standard Policies and Procedures

Subject:	Healthcare Fraud, Waste and Abuse Policy
Approved by:	President & CEO
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### **POLICY**

#### Detecting and Preventing Healthcare Fraud, Waste and Abuse

Federal and state laws prohibit waste, abuse, and fraud of Medicaid funds that Progress Industries receives for services provision. These laws include the 2005 Deficit Reduction Act and False Claims Act (amended 1986). At Progress Industries Medicaid funds are received for Intermediate Care Facility for the Intellectual Disabled (ICF/ ID), Adult Rehabilitation Option or Remedial Services, and Home and Community Based Waiver Services (HCBS). Progress Industries prohibits healthcare waste, abuse, and fraudulent practices.

#### **Healthcare Fraud, Waste and Abuse may include, but not limited to, the following:**

1. Billing for services that were never provided
2. False cost reports whereby inappropriate expenses not related to services provision are intentionally included in cost reports
3. Illegal kickbacks, where a provider may conspire with another provider to share a part of monetary reimbursement the provider receives in exchange for services referrals. Such kickbacks could include cash, vacation trips, automobiles or other items of value.

Any employee who suspects healthcare fraud, waste or abuse should immediately report that allegation to the Chief Executive Officer (CEO) or designee. If the employee suspects the Chief Executive Officer (CEO) of healthcare fraud, waste or abuse, the report should be made to the Chair of Progress Industries' Board of Directors. An internal investigation will be initiated immediately, with appropriate corrective actions taken as a result of the investigative findings, including self-reporting to the Department of Human Services (DHS). Appropriate disciplinary actions will be implemented as a result of the internal investigation.

All documentation related to the investigation will be maintained in the Human Resources Director confidential records.

**Employees may report suspected Medicaid waste, abuse or fraud to:**

1. Iowa Medicaid Director, Division of Medical Services, Department of Human Services (DHS), 100 Army Post Road, Des Moines, Iowa 50315, phone number 515.725.1121, fax number 515.725.1010; or
2. Iowa Medicaid Fraud Control Unit with the Department of Inspections and Appeals (DIA), Lucas State Office Building, 3rd floor, Des Moines, Iowa 50319, phone number 515.281.6377, or fax number 515.242.6507; or
3. Health and Human Services Office of Inspector General, phone number 1.800.hhs.tips, fax number 1.800.223.8164, e-mail hhstips@oig.hhs.gov, mailing address Office of Inspector General, Department of Health and Human Services, ATTN.: hotline, 330 Independence Ave., SW, Washington, DC 20201.
4. For Medicare Parts C and D: National Benefit Integrity Medicare Drug Integrity Contractor (NBI MEDIC) at 1-877-7SafeRx (1-877-772-3379)
5. For all other Federal health care programs: CMS Hotline at 1-800-MEDICARE (1-800-633-4227) or TTY 1-877-486-2048
6. HHS and U.S. Department of Justice (DOJ): <https://www.stopmedicarefraud.gov>

The False Claims Act contains language protecting "whistleblower employees" who report suspected healthcare fraud, waste or abuse from retaliation by their employer. Employees that are discharged, demoted, suspended, threatened, harassed or in any way discriminated against in the terms and conditions of employment by the employer for "blowing the whistle" are entitled to recover all relief necessary to make the employee whole. Damages available to the employee that proves retaliation include: reinstatement, two times back pay, interest, emotional distress damages, cost and attorney's fees. Additionally, the successful whistle blower may be eligible to recover 15% to 30% of the government's recovery from the fraudulent practice. The False Claims Act allows a private person to file a lawsuit on behalf of the United States government against a person or business that has committed the fraud.

Any employee who feels they are being retaliated against for reporting healthcare fraud, waste or abuse should immediately report this concern to the Chief Executive Officer (CEO) or designee. Progress Industries will implement appropriate protective actions for the employee. An internal investigation will be initiated immediately with appropriate

corrective actions taken as a result of the investigative findings. Appropriate disciplinary actions will be implemented as a result of the internal investigation. All documentation related to the investigation will be maintained in the Human Resources Director's confidential records.

Progress Industries also monitors Medicaid documentation in order to detect and prevent improper payments for Medicaid services. Improper payments may include the following:

1. Payment for services when service provision is not adequately documented. A service that is not adequately documented should not be billed to Medicaid.
2. Medically unnecessary services due to a lack of documentation in medical records to support eligibility and need for service.
3. Incorrect coding when billing for services, using the wrong code for a particular service.
4. Non-covered costs or services that do not meet the state of Iowa's reimbursement rules and regulations, and
5. Third-party liability, where a private insurance company or another payer was the primary payer and Medicaid was billed instead.

Any employee who suspects improper Medicaid documentation should immediately report the allegation to the Corporate Compliance Officer or utilize the Corporate Compliance Hotline (641-791-2851). An internal investigation will be initiated immediately with appropriate corrective actions taken as a result of the investigative findings. All documentation related to the investigation will be maintained in the Director of Human Resources confidential records.

Any employee who feels they are being retaliated against for reporting improper Medicaid documentation should immediately report this concern to the Chief Executive Officer (CEO) or designee. Progress Industries will implement appropriate protective actions for the employee. An internal investigation will be initiated immediately, with appropriate corrective actions taken as a result of the investigative findings. Appropriate disciplinary actions will be implemented as a result of the internal investigation. All documentation related to the investigation will be maintained in the Director of Human Resources confidential records.

Progress Industries has key mechanisms and procedures in place to detect and prevent healthcare fraud, waste or abuse, and improper documentation, including, but not limited to:

1. Annual external audits are completed by an outside Certified Public Accountant (CPA) for all Medicaid funded services.
2. An outside Certified Public Accountant completes all Medicaid annual cost reports submitted to the Department of Human Services (DHS).
3. Medicaid intervention notes are reviewed each month by management staff ensuring the documentation meets Medicaid rules and regulations prior to billing for services. Corrective actions are implemented as needed to improve the quality of Medicaid documentation.
4. Initial and periodic training is provided to all employees on detecting and preventing Medicaid abuse, waste, and fraud, including reporting procedures.
5. Each month Quality Assurance staff complete random reviews of samples of Medicaid intervention notes throughout services, with a report generated including any corrective actions to improve the quality of documentation.
6. Quarterly, Management will review a sample of records to document that the dates of services provided coincide with billed interventions, accurately reflect the services that were provided, and identify necessary corrective actions as a result of this review.

Progress Industries checks all employees at hire against the Office of Inspector General's exclusion database and the System Award Management Excluded Parties list to make sure they are eligible to participate in federal programs. Employees are checked against the database monthly thereafter. Contractors and vendors are also checked periodically against this database.

Progress Industries will ensure that all employees have access to this policy and are trained with respect to this policy.

1. This policy will be disseminated to all new employees and made available to all employees and employees of any contractor, or agent.
2. This policy will be included in Progress Industries' employee handbook.
3. This policy will be maintained as part of the Progress Industries policies and procedures manual.
4. Initial and periodic training will be provided to all employees regarding healthcare fraud, waste or abuse and will be documented and maintained as part of the personnel file.