Health Care District
PALM BEACH COUNTY

POLICY & PROCEDURE

Policy Title:	**False Claims Prevention**	Effective Date:	3/20/2013
Department:	**Compliance**	Policy Number:	N/A

PURPOSE

The purpose of this policy is to comply with certain requirements set for in the Deficit Reduction Act of 2005 with regard to federal and state false claims laws.

SCOPE

This policy applies to all employees and workforce members of the Health Care District of Palm Beach County and its Affiliated Entities ("District"), including, Lakeside Medical Center, E.J. Healey Center, School Health, Physician Practice Offices, Primary Care Clinics, Pharmacy, Aeromedical, Trauma and Managed Care. This policy also applies to contractors or agents of Health Care District and its affiliated entities,

POLICY

It is policy of The Health Care District of Palm Beach County ("District") to comply with all relevant federal and state laws and regulations and to educate its employees, contractors and agents regarding the federal and state false claims statutes and the role of such laws in preventing and detecting fraud, waste and abuse in federal health care programs.

FALSE CLAIMS LAWS

False claims laws make it possible for the government to bring civil actions to recover damages and penalties when a healthcare provider submits a false claim. The purpose of these laws is to combat fraud and abuse in government health care programs.

The federal False Claims Act makes it a crime for any person or entity to knowingly submit a false or fraudulent claim for payment of United States Government funds. The fines include a penalty of up to three times the Government's damages, civil penalties ranging from $5,500 to $11,000 per false claim, and the costs of the civil action again the entity that submitted the false claim. The False Claims Act applies to any federally funded program, including Medicare or Medicaid.

The federal False Claim Act provides a "qui tam" provision, commonly referred to as the "whistleblower" provision. This provision allows a private person with knowledge of a false claim to bring a civil action on behalf of the United States Government. The purpose of bringing a qui tam suit is to recover the funds paid by the Government as a result of the false claim. If the suit is successful, the whistleblower who brought the qui tam suit may be awarded a percentage of the funds recovered.

The federal False Claims Act also contains a provision that protects whistleblowers from retaliation by his or her employer. This applies to any employee who is discharged, demoted, suspended, threatened, harassed, or discriminated against in his or her employment as a result of the employee's lawful acts in furtherance of a false claims action.

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In addition to the federal False Claims Act, Florida has a state version of the False Claims Act that mirrors with federal provisions. The Florida False Claims Act also contains whistleblower provision to prevent employers from retaliation against employees who report their employer's false claims. The State of Florida has also adopted several other false claims statutes that are intended to prevent fraud and abuse in any department or agency of the state, including the Florida Medicaid program.

A similar federal law, the Program Fraud Civil Remedies Act of 1986 ("PFCRA") provides administrative remedies for knowingly submitting false claims and statements. A false claim or statement includes submitting a claim or making a written statement that is for services that were not rendered, or that asserts a material fact that is false, or that omits a material fact. A violation of PFCRA results in a maximum civil penalty of $5,000 per claim plus an assessment of up to twice the amount of each false of fraudulent claim.

PROCEDURE

This procedure reiterates the commitment of the Health Care District of Palm Beach County (the "District") to comply with the standards of conduct established by (1) the federal False Claims Act, 31 U.S.C. § 3729, et seq.; (2) the Florida False Claims Act, Fla. Stat. §§ 68.081 - 68.092; and (3) state Medicaid plan amendments promulgated to comply with Section 6032 (Employee Education About False Claims Recovery) of the Deficit Reduction Act of 2005 ("DRA"). No District staff has the authority to direct, participate in, approve, or tolerate any violation of any of the laws or regulations described in this policy.

Detecting and Preventing Fraud, Waste and Abuse in Federal Health Care Programs and other Claims Paid by Federal and State Government

The District Compliance Program strives to detect and prevents fraud, waste and abuse through regular auditing and monitoring activities as well as through reports of suspicious behavior or potential compliance issues from employees handling or processing claims. The District has implemented several policies and procedures supporting its efforts to detect and prevent violations of federal and state health care program requirements and the Districts own policies and procedures including the following:

- Standards of Conduct
- Compliance Hotline
- Non-Retaliation Policy
- Compliance Investigations

- Compliance Training and Education
- Government Investigations

Reporting of Potential Compliance Issues

Any employee who has knowledge of or becomes aware of suspicious activity relating to the handling, processing, or payment of claims or any potential compliance issue has a duty to report such activities. Employees can make a report to their supervisor, the Chief Compliance Officer or by calling the Compliance Hotline. Employees who report such behavior are protected from retaliation for reporting such activities as more fully described in the District's Whistleblower Policy.

Distribution

This policy and procedure and any amendments will be provided to all employees in the normal course of providing policies and procedures which includes compliance training and education, new hire orientation. A copy of this policy and procedure will also be made available to contractors and agents of the District via the organization's public website.

DEFINITIONS

Abuse means provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement of services that are not medically necessary or that fail to meet professionally recognized standards for health care. It also includes recipient practices that result in unnecessary cost to the Medicaid or Medicare.

Fraud is an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person. It includes any act that constitutes fraud under applicable Federal or State Law.

Agents and Contractors: those who act on behalf of the District to furnish, authorize, or monitor Medicare or Medicaid services or who perform billing and coding functions.

RESPONSIBILITY

Employee Responsibilities

1. Do not engage in any behavior that violates the Federal or State False Claims Act.
2. Inform supervisor, Human Resources, the Chief Compliance and Privacy Officer, the Chief Executive Officer or the anonymous hotline of any actual or suspected violations.
3. Follow the District's and departmental policies and procedures to ensure early detection and prevention of fraud, waste and abuse.

Department Directors/Managers/Supervisors Responsibilities

1. Notify the Chief Compliance and Privacy Officer of any actual or suspected violations.
2. Create a work environment in which ethical concerns can be raised and openly discussed without fear of retaliation.
3. Ensure that employees follow the District's and departmental policies and procedures to ensure early detection and prevention of fraud, waste and abuse.

Chief Compliance and Privacy Officer Responsibilities

1. Review and determine appropriateness of those involved in investigation upon receipt of report of possible violation.
2. Resolve the claim by notifying those involved and/or proper authorities.
3. Assist employees and supervisors in education on this policy.

Human Resources Responsibilities

1. Notify Compliance of any claim reported.
2. Review and ensure appropriateness of any recommended employee actions.

REFERENCES

Deficit Reduction Act of 2005, Sections 6031, 6032

Fla. Stat. §68.081

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Fla. Stat. §112.3187

Fla. Stat. §409.920, 409.9201, 409.913, 775.082, 812.035

31 U.S.C. §3801-3812

31 U.S.C. §3729-3733

CROSS-REFERENCES

Non- Retaliation Policy and Procedure
Standards of Conduct Policy and Procedure
Whistleblower Policy and Procedure

APPROVED BY	DATE
Ellen Pentland, Chief Compliance and Privacy Officer	1/16/2013
Audit and Compliance Committee	1/16/2013
Health Care District Board Approval:	3/20/2013

POLICY REVISION HISTORY

Original Policy Date	Revisions	
1/1/2008	12/1/2008	"[Next Revised Policy Date]"
	12/1/2010	"[Next Revised Policy Date]"
	3/20/2013	"[Next Revised Policy Date]"