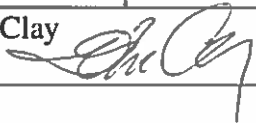


**Foothills Behavioral Health Partners, LLC  
Operating Policies and Procedures**

**Investigation and Reporting of Fraud and Abuse**

<b>Subject:</b> Investigation and Reporting of Fraud and Abuse	<b>Effective Date:</b> September 1, 2009
<b>Subject Area:</b> Program Integrity	<b>Revision Date:</b> October 1, 2012 <b>Revision Date:</b> October 1, 2013 <b>Revision Date:</b> June 19, 2014
<b>Responsible Department:</b> Corporate Compliance	
<b>Authorized By:</b> Tom Clay 	<b>Review Schedule:</b> Annual or as indicated

**POLICY:**

1. All employees, Providers, subcontractors, consultants, and agents of FBHPartners are responsible for reporting potential and/or suspected incidents of fraud and abuse and other health care rules and regulations.
2. FBHPartners investigates all reported or identified fraud and abuse, compliance concerns, and any business practices that are in conflict with the Corporate Compliance Program and Code of Conduct.
3. A confidential compliance hotline is maintained as a vehicle for staff, contractors, providers, members, and others to report instances of known or suspected Medicaid fraud and abuse or other compliance concerns to the Corporate Compliance Officer.
4. The Corporate Compliance Officer has full authority and responsibility to investigate any potential fraud or abuse issue and to direct others to do so as appropriate.
5. The Corporate Compliance Officer notifies the Department of Health Care Policy and Financing when FBHPartners takes Adverse Action against a network provider for program integrity-related reasons.

**PURPOSE:**

To comply with corporate compliance program standards for investigation and reporting of fraud and abuse.

## **DEFINITIONS:**

**Adverse Action** is a formal sanction taken against a provider by the Provider Relations, Quality Assurance/Performance Improvement and/or Compliance Departments of FBHPartners or ValueOptions, Inc. as the FBHPartners delegated entity. **“Integrity-related reasons”** means reasons that concern the intentional commission of acts that constitute Fraud, Waste or Abuse. Corrective Action Plans that are designed to improve quality or performance related to unintentional performance problems are not “Adverse Actions for program integrity-related reasons”. Suspension of payments or termination of a provider’s network status for suspicion of fraud are “Adverse Actions for program-integrity related reasons”.

**Fraud** is the intentional (willful or purposeful) deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to him/her or some other person. It includes any act that constitutes fraud under applicable Federal or State law.

**Waste and Abuse** include practices that: 1) are inconsistent with sound fiscal, business or medical practices, and that result in an unnecessary cost to the Medicaid program, 2) seek reimbursement for goods or services that are not medically necessary or that fail to meet professionally recognized standards for healthcare, or 3) result in the incorrect, improper or excessive utilization of medical care and services which are not medically necessary, at the recipient's insistence or request.

## **PROCEDURES:**

1. Known or suspected fraud, abuse or other compliance concerns shall be reported to the FBHPartners Corporate Compliance Officer (CCO) directly or by calling the FBHPartners confidential compliance hotline.
2. Upon receipt of a report, the FBHPartners CCO shall conduct an investigation to determine whether a violation has occurred.
  - a. The CCO will seek assistance as needed from other parties such as legal counsel or the Special Investigations Unit (SIU) of ValueOptions, the FBHPartners claims payment delegate.
  - b. The CCO shall notify the CEO if initial investigation indicates potential fraud or abuse. The CCO may also notify legal counsel, the Board of Managers, or Board of Directors.
  - c. The CCO shall report any suspected Medicaid Fraud and Abuse to the Department of Health Care Policy and Financing (Department). The report includes any background information available, the name

of the provider, and a description of how FBHPartners became knowledgeable about the occurrence.

- i. Within three (3) business days of the initial notification to the Department, the CCO or the CEO shall submit an initial written report of the findings to the Department.
    - ii. Within fifteen (15) business days of the initial notification, the CCO or CEO shall submit a final written report to the Department unless the Department has approved an extension.
  - d. If the investigation confirms a violation of the FBHPartners Compliance plan, policies and procedures, or laws and regulations, the CCO shall recommend a corrective action plan to CEO. The CCO shall oversee implementation of such corrective action plan.
  - e. The CCO maintains documentation of each investigation and the outcome, including any corrective action.
3. Department of Health Care Policy and Financing Notification of Adverse Actions:
- a. FBHPartners, and FBHPartners' delegate ValueOptions, Inc. shall notify the FBHPartners CCO immediately if Adverse Action is being considered against a provider for program integrity-related reasons.
  - b. If such Adverse Action is taken, the FBHPartners CCO shall report this action to the Department of Health Care Policy and Financing within three (3) business days of the Adverse Action.

