
Title/Subject **Prevention of Fraud and Abuse Policy**

A policy sets forth the guiding principles for a specified targeted population as such principles relate to specific clinical or operational issues.

Page 1 of 4

Purpose: The purpose of this policy is to inform employees, contractors and agents of Hartford Hospital regarding Hartford Hospital's efforts to combat fraud, waste, and abuse in the healthcare system; to provide general information of the federal False Claims Act (referenced in this policy as "FCA"); to describe the remedies and fines for violations that can result from certain types of fraudulent activities; and protections for reporting individuals.

Scope: All employees, contractors, agents, and volunteers of Hartford Hospital

Policy:

- Hartford Hospital engages in specific compliance efforts to detect and prevent fraud, waste, and abuse. These include:
 - Requiring mandatory annual compliance training for all employees, officers and agents of the hospital
 - Conducting risk assessments for billing, coding, documentation and other areas of potential risk for the hospital
 - Establishing a confidential disclosure program that requires immediate reporting of any suspected or known fraudulent or criminal activity. In order to ensure those who come forward to report concerns are protected from retaliation, Hartford Hospital has implemented a Non-retaliation Policy.
 - Conducting searches of the Federal Government's Excluded Parties Lists to ensure Hartford Hospital does not employ or engage individuals or entities who are excluded from participating in the federal healthcare programs
 - Developing policies for conducting business in compliance with relevant rules and regulations

- All employees, contractors, agents, and volunteers of Hartford Hospital must immediately report to the hospital's compliance officer, any suspicion of fraud, waste, or abuse in connection with the business of Hartford Hospital.

- It is the policy of Hartford Hospital that an employee, contractor, or agent of Hartford Hospital who submits a false claim will be reported to the necessary authorities.

Definitions:

Federal False Claims Act

The federal False Claims Act (FCA) imposes civil penalties on people and companies who knowingly submit a false claim or statement to a federally funded program, or otherwise conspire to defraud the government, in order to receive payment. It also protects people who report suspected fraud.

Anyone, or any company, that submits a false claim or statement to the government may be fined under the FCA between \$5,500 and \$11,000 for each such claim submitted, regardless of the size of the false claim, and the person or company could be required to pay an additional fine of three times the value of any charges.

The FCA is not confined to healthcare claims, but extends to any payment requested of the federal government. The FCA applies to billing and claims sent from Hartford Hospital to any government payor program, including Medicare and Medicaid. Part of the FCA's purpose is to create an environment where employees and others feel safe reporting concerns about fraud. Hartford Hospital fully supports that goal. Any person who reports information in good faith about known or suspected false claims submitted by others, may not be retaliated against, demoted, suspended, threatened, or harassed by Hartford Hospital for making such a report.

The FCA provisions are generally enforced by the U.S. Department of Justice. The FCA allows a person to initiate a formal claim if he or she is the "original source" of the information. This means that the person bringing the claim must have direct and independent knowledge of the alleged fraud. If any funds are recovered, a portion of the funds may be paid to the person who initiated the formal claim, at the discretion of a federal court.

If a person wishes to file a claim regarding fraud or suspected fraud related to a healthcare payment directly with the government, he or she must first present a formal complaint, along with all material evidence relating to the alleged fraud, to the authorities at the U.S. Department of Justice. The authorities have 60 days to investigate, during which time the complaint is kept confidential. Upon completion of the investigation, the government will decide either to pursue the case on its own or decline to proceed with the case. If the federal government declines the case, the individual may still proceed with the case on his or her own, but without the government's assistance, and at his or her own expense.

A private legal action under the FCA must be brought within six years from the date that the false claim was submitted to the government. A government-initiated claim may be brought up to ten years after the false claim, depending on the circumstances.

Federal Program Fraud Civil Remedies Act

Persons or companies that commit fraud against the federal government, by false claim or statement, can be assessed money penalties in addition to the penalties of the False Claims Act because of a law called the Program Fraud Civil Remedies Act (referenced in this policy as "PFCRA"). Specifically, PFCRA penalties of \$5,000 per false claim or statement apply if a person or company submits a claim to the federal government that: the person or company knows or has reason to know is false, fictitious, or fraudulent; includes or is supported by written statements containing false, fictitious, or fraudulent information; includes or is supported by written statements that omit a material fact, which causes the statements to be false, fictitious, or fraudulent, and the person submitting the statement has a duty to include the omitted fact; or is for payment of property or services that are not provided as claimed.

The \$5,000 penalty also applies if a person or company provides written back-up or materials relating to the claim in which the person or company asserts a material fact that is false, fictitious or fraudulent; or omits a fact that the individual had a duty to include, the omission causes the statement to be false, fictitious, or fraudulent, and the statement contains a certification of accuracy.

Connecticut State Law

It is a crime in Connecticut to bill Medicaid or the general assistance program fraudulently. All employees, contractors and agents of Hartford Hospital must immediately report suspicion of any criminal activity occurring at Hartford Hospital, including criminal fraud, to the hospital's compliance officer.

Anyone who provides services to a state Medicaid beneficiary and seeks or accepts payment for unnecessary or improper services is subject to possible imprisonment and/or criminal fines under state law. Depending upon the amount of the fraudulent services involved, such offenses carry potentially significant penalties, with a maximum of 20 years in prison and a maximum fine of \$15,000.

Anyone who provides services to a recipient of Connecticut's general assistance program and seeks or accepts payment for unnecessary or improper services is also subject to civil and criminal penalties. Depending upon the amount of the fraudulent services involved, such offenses carry a minimum one year prison sentence and a maximum of 20 years, as well as a maximum fine of \$15,000. Any person who defrauds Connecticut's general assistance program is also excluded from participating in the program for a minimum of one year.

Connecticut law protects employees who report suspected violations of state or federal law, including reports of criminal fraud. An employer may not discharge, discipline or otherwise penalize an employee for reporting a violation of the law, or suspected violation, as long as the employee does not know the information being reported is false.

References:

Hartford Hospital Code of Conduct

Hartford Hospital Compliance Hotline Policy

Hartford Hospital Employee Hotline for Reporting Fraud: 1-800-431-5572

Criminal:

- Conn. Gen. Stat. Sec. 53a-290 et seq. (Vendor Fraud)
- Conn. Gen. Stat. Sec. 53-440 et seq. (Health Insurance Fraud)
- Conn. Gen. Stat. Sec. 53a-118 et seq. (Larceny)
- Conn. Gen. Stat. Sec. 53a-155 (Tampering/Fabricating Evidence)
- Conn. Gen. Stat. Sec. 53a-157B (False Statement to Public Servant)

Fraud:

- Conn. Gen. Stat. Sec. 17b-25a (Vendor Fraud Hotline)
- Conn. Gen. Stat. Sec. 17b-99 (Vendor Fraud)
- Conn. Gen. Stat. Sec. 17b-102 (Financial Incentive for Reporting Fraud)
- Regs. Conn. State Agencies Sec. 17-83k-1 et seq. (Administrative Sanctions)
- Regs. Conn. State Agencies Sec. 17b-102-01 et seq. (Financial Incentive for Reporting Fraud and Payment Requirements)

Whistle blower Protections:

- Conn. Gen. Stat. Sec. 4-61dd (Whistleblowing)
- Conn. Gen. Stat. Sec 31-51m (Protection for Employee Reporting Fraud)
- Conn. Gen. Stat. Sec 31-51q (Non-Retaliation Liability of Employer)
- Regs. Conn. State Agencies Sec. 4-61dd-1 et seq. (Rules of Practice for Contested Case Proceedings under the Whistleblower Protection Act)

Intranet Key Words:

Fraud and Abuse
False Claims Act
Civil remedies

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