

Rush-Henrietta Central School District

MEDICAID PROVIDER COMPLIANCE PROGRAM

INTRODUCTION

Social Services Law 363-d requires that Medicaid providers develop and implement compliance programs aimed at detecting fraud, waste, and abuse in the Medicaid program. The law requires all providers who submit claims for care, services, or supplies constituting a substantial portion of their business operations (Appendix A) to adopt a Medicaid Provider Compliance Program on or before December 31, 2009 and annually thereafter. Rush-Henrietta Central School District submits Medicaid reimbursement claims for services it provides to resident students attending public, private, and parochial schools.

The purpose of the program is to establish a comprehensive system of oversight to ensure that Medicaid services are properly recorded, documented, and billed; to ensure that services rendered are medically necessary; and that individual service providers are properly credentialed. This compliance program is designed to implement systems that will detect fraud, waste, and improper practices; and to provide guidance on reporting, auditing, and investigating potential compliance issues within the District.

The Program shall be overseen by the District's Medicaid Compliance Officer who shall report directly to the District's Superintendent of Schools. It remains, however, the responsibility of each individual involved in the provision of services and the billing process, to comply with the provisions of the law.

MEDICAID COMPLIANCE OFFICER

The District shall designate annually a Medicaid Compliance Officer. The Medicaid Compliance Officer shall be an employee responsible for:

1. Day-to-day operations of the Compliance Program;
2. Providing guidance to District employees to ensure Medicaid billing compliance;
3. Development and delivery of District in-service training on compliance issues, expectations, and maintenance of documentation for the same;
4. The coordination of system-wide and/or department-specific audits of records on an ongoing basis;
5. Communications to District employees and to service providers on any changes to the laws and regulations regarding Medicaid billing and this Program;
6. The investigation of allegations of improper billing practices and the reporting of the same.

The Medicaid Compliance Officer shall report directly to the District's Superintendent of Schools and shall periodically report to the Board of Education on the District's Compliance Program.

EDUCATION AND TRAINING

The Medicaid Compliance Officer's responsibility is to ensure that every employee involved with the Medicaid service and billing process is educated about the applicable laws and regulations governing provider billing and documentation.

Moreover, the District's Compliance Program shall be shared with all District employees,

including the Board of Education. The Compliance Program will be filed in the District Office and be available through the Board of Education Clerk. The Compliance Program will also be published on the District's website.

The Medicaid Compliance Officer shall also develop, oversee and/or provide in-service training on Medicaid billing and documentation requirements for all staff involved in providing and/or billing for Medicaid services periodically and at other times, including initial employment or assignment. Such training shall be mandatory and the District shall maintain records of all trainings.

REPORTING AND INVESTIGATION

Reporting

Every employee in the District has the responsibility not only to comply with the laws and regulations, but to ensure that others do as well. Each year, by the first day of school, employees will be informed of the name and contact information for the District's Medicaid Compliance Officer and provided access to the District Medicaid Compliance Plan.

Employees must report non-compliance to their immediate supervisors per BOE Policy #9125: Financial Accountability: Allegations of Fraud (Appendix B). Supervisors receiving a report of non-compliance must report this matter directly to the District's Medicaid Compliance Officer. Alternatively, calls may be made anonymously to the District's Medicaid Compliance Officer.

All school district employees and service providers who believe that any practice or billing procedure related to Medicaid reimbursement of school or preschool supportive health services is inappropriate, may also send information concerning such practice or

billing procedure in writing to the New York State Compliance Officer by U.S. mail, courier service, e-mail or facsimile transmission. Note that review and follow up will not be undertaken with respect to oral disclosures. The District assures that no adverse employment action of any type will be taken against an employee because he/she provided information to the New York State Compliance Officer. Contact information for the New York State Compliance Officer is as follows:

Rose Firestein
State Compliance Officer
New York State Department of Health
Office of General Counsel
90 Church Street, 4th Floor
New York, NY 10007
Telephone: (212) 417-4393
Facsimile: (212) 417-4392
ref01@health.state.ny.us

Every attempt will be made to preserve the confidentiality of reports of non-compliance. All employees must understand, however, that circumstances may arise in which it is necessary or appropriate to disclose information. In such cases, disclosures will be on a “need to know” basis only.

Investigation

The Medicaid Compliance Officer will, personally or through his/her designee, investigate every report of non-compliance as soon as practicable. Investigations may include interviewing employees and/or reviewing documentation. Each employee must cooperate with such investigations.

Once the Medicaid Compliance Officer completes an investigation, he/she will make a report to the Superintendent of Schools. The report will be the basis for the Medicaid Compliance Officer’s recommendation to the Superintendent of Schools for corrective action and/or discipline. Reports will be retained for a period of six years.

Disciplinary Policies/Sanctions

False billing is a serious offense. Federal and State rules prohibit knowingly and willfully making or causing to be made any false statement or representation of a material fact in an application for benefits or payment. It is also unlawful to conceal or fail to disclose the occurrence of an event affecting the right to payment with the intent to secure payment that is not due.

In addition to criminal penalties, the Federal False Claims Act permits substantial civil monetary penalties against any person who submits false claims. The Act provides a penalty of triple damages as well as fines up to \$10,000 for each false claim submitted. The persons involved in submitting false claims (as well as the District) may be excluded from participating in the Medicaid programs.

If a service provider or employee is found to be non-compliant, plans of correction and discipline may include, but are not limited to:

1. A requirement to undergo training;
2. A period of required supervision to include expanded auditing and/or approval of documentation before bills can be issued;
3. Self-disclosure of violations to the New York State Office of the Medicaid Inspector General according to NYS Self-Disclosure Guidance documents.

In sufficiently egregious cases, the Medicaid Compliance Office will notify the Superintendent of Schools to recommend appropriate disciplinary action.

Ethical Responsibilities of District Employees and Providers

The District promotes full compliance with each of the relevant laws by maintaining a strict policy of ethics, integrity, and accuracy in all its financial dealings.

Each employee and professional, including outside consultants, who is involved in submitting charges, preparing claims, billing, and documenting services is expected to maintain the highest standards of personal, professional, and institutional responsibility. Individuals who fail to report suspected problems, participate in non-compliance behavior and/or encourage, direct or facilitate non-compliance behavior may be subject to disciplinary action in accordance with the provisions of Federal and New York laws and Regulations. In order to make this Compliance Program effective, the Medicaid Compliance Officer will have authority to impose or recommend corrective action to the Superintendent of Schools.

NON-RETALIATION

District Policy 9125 (see Appendix B) prohibits any retaliatory behavior directed against those individuals who, in good faith, report allegations of suspected financial improprieties/fraud and/or wrongful conduct as well as witnesses and/or any other individuals who participate in the investigation of an allegation of financial impropriety/fraud and/or wrongful conduct. Follow-up inquiries shall be made to ensure that no reprisal or retaliatory behavior has occurred to those involved in the investigation. Any act of retaliation is prohibited and subject to appropriate disciplinary action by the District.

Any individual who knowingly or recklessly makes false accusations against another individual as to allegations of financial improprieties/fraud may face appropriate disciplinary action, and if appropriate, referral to the criminal justice authorities.

AUDITING/REVIEW

Monitoring of compliance with billing rules is essential. Under this Plan, there will be routine risk assessments and audits of Medicaid billing documentation performed by the District's internal auditor. The results will be shared with the Medicaid Compliance Officer, the Superintendent of Schools, and the Board of Education Finance and Audit Committee.

The Medicaid Compliance Officer may, subject to approval by the Board of Education, engage an external auditing firm as deemed necessary to assess the District's overall compliance. The external auditor will report the results to the Medicaid Compliance Officer, the Superintendent of Schools, and the Board of Education Finance and Audit Committee. All employees must cooperate fully with internal and external audits by making themselves and/or any pertinent documents available.

ONGOING RISK ASSESSMENTS

The Medicaid Compliance Officer will annually review and revise the Medicaid Compliance Program based on the examination of results of internal and external audits; investigations, and other reports. The Board of Education will annually recertify the District's Medicaid Compliance Program.

Appendix A: Definitions

“Substantial portion” of business operations means any of the following:

- (1) when a person, provider or affiliate claims or orders, or has claimed or has ordered, or should be reasonably expected to claim or order at least five hundred thousand dollars (\$500,000) in any consecutive twelve-month period from the medical assistance program;
- (2) when a person, provider or affiliate receives or has received, or should be reasonably expected to receive at least five hundred thousand dollars (\$500,000) in any consecutive twelve-month period directly or indirectly from the medical assistance program; or
- (3) when a person, provider or affiliate who submits or has submitted claims for care, services, or supplies to the medical assistance program on behalf of another person or persons in the aggregate of at least five hundred thousand dollars (\$500,000) in any consecutive twelve-month period.

Appendix B: Policy 9125

Rush-Henrietta Central School District Series 9000 - PERSONNEL AND NEGOTIATIONS Financial Accountability: Allegations of Fraud Policy # 9125

All Board members and officers, District employees and third Party consultants are required to comply with the District's policies, administrative regulations and procedures in the conduct of their duties. Further, all applicable federal and/or state laws and regulations must be adhered to in the course of District operations and practices.

Any individual who has reason to believe that financial improprieties or wrongful conduct is occurring within the School District is to disclose such information to the proper authorities. The reporting procedures will follow the chain of command as established within the department or school building or as enumerated in the District's Organizational Chart. In the event that the allegations of financial improprieties/fraud and/or wrongful conduct concern the person to whom that individual reports, the individual shall report the disclosure to the next level of supervisory authority. If the chain of supervisory command is not sufficient to ensure impartial, independent investigation, allegations of financial improprieties/fraud and/or wrongful conduct will be reported as applicable, to the Independent (External) Auditor, or the School Attorney, or the Board of Education. The District's prohibition of wrongful conduct, including fraud, will be publicized within the District as deemed appropriate; and written notification will be provided to all employees with fiscal accounting/oversight and/or financial duties including the handling of money.

Upon receipt of an allegation of financial improprieties/fraud and/or wrongful conduct, the Board or designated employee(s) will conduct a thorough investigation of the charges. However, even in the absence of a report of suspected wrongful conduct, if the District has knowledge of, or reason to know of, any occurrence of financial improprieties/fraud and/or wrongful conduct, the District will investigate such conduct promptly and thoroughly. To the extent possible, within legal constraints, all reports will be treated as confidentially and privately as possible. However, disclosure may be necessary to complete a thorough investigation of the charges and/or to notify law enforcement officials as warranted, and any disclosure will be provided on a "need to know" basis. Written records of the allegation, and resulting investigation and outcome will be maintained in accordance with law.

Based upon the results of this investigation, if the District determines that a school official has engaged in financial improprieties/fraudulent and/or wrongful actions, appropriate disciplinary measures will be applied, up to and including termination of employment, in accordance with legal guidelines, District policy and regulation, and any applicable collective bargaining agreement. Third parties who are found to have engaged in financial improprieties/fraud and/or wrongful conduct will be subject to appropriate sanctions as warranted and in compliance with law. The application of such disciplinary measure by the District does not preclude the filing of civil and/or criminal charges as

may be warranted. Rather, when school officials receive a complaint or report of alleged financial improprieties/fraud and/or wrongful conduct that may be criminal in nature, law authorities should be immediately notified.

The appeal procedure will also be provided, as applicable, to address any unresolved complaints and/or unsatisfactory prior determinations by the applicable investigating officer(s).

Prohibition of Retaliation

The Board prohibits any retaliatory behavior directed against those individuals who, in good faith, report allegations of suspected financial improprieties/fraud and/or wrongful conduct as well as witnesses and/or any other individuals who participate in the investigation of an allegation of financial impropriety/fraud and/or wrongful conduct. Follow-up inquiries shall be made to ensure that no reprisal or retaliatory behavior has occurred to those involved in the investigation. Any act of retaliation is prohibited and subject to appropriate disciplinary action by the District.

False Accusations

Any individual who knowingly or recklessly makes false accusations against another individual as to allegations of financial improprieties/fraud may face appropriate disciplinary action, and if appropriate, referral to the criminal justice authorities.

Adoption Date: 2/28/2006

9000 - PERSONNEL AND NEGOTIATIONS