

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Arizona

4.42 EMPLOYEE EDUCATION ABOUT FALSE CLAIMS RECOVERIES

In accordance with section 1902(a)(68) of the Act, the methodology of compliance oversight and the frequency with which the State will re-assess compliance on an ongoing basis for employee education about false claims recoveries is as follows:

The State will identify "entities" as those who received or made payments at or above the annual threshold of \$5,000,000 using claims and encounter data.

The State will send information about the requirements to new entities that did not previously meet the criteria by January 1 of each subsequent year, if the amount of payments an entity either received or made during the preceding Federal fiscal year meets the \$5,000,000 threshold.

The State will use a web-based training tool to provide education about false claims recoveries. Additionally, the State will send written notification that includes an Audit Checklist, outlining the requirements and policy procedures for ensuring compliance. For CY 2007, the State will send written notice informing an entity that has met the \$5,000,000 annual threshold of the false claims recoveries requirements, including the audit cycle, by July 2007. The State will begin reviewing entities for compliance by October 2007. The State will also include the requirement for compliance in the Acute and ALTCS contracts as well as in policy manuals.

The State will ensure compliance by conducting an annual statistically valid random sampling of entities that may be subject to the provision. The sample will consist of onsite inspections, document reviews and interviews. Each entity may be subject to the audit cycle at least once every three years.

The State will use the information compiled from the random sample to review whether the entity has mechanisms in place to educate employees about false claims recoveries. If the State finds that an entity is not compliant, the following measures will be pursued:

1st violation: The State will send written notification detailing the items that are out of compliance and advising corrective action. The State will provide 30 days to correct the incompliance and will re-visit the entity to check for compliance.

2nd and subsequent violations: The State will seek sanctions as provided under the existing contract language.

TN No. 07-002

Supersedes

TN No. N/AApproval Date JUN 21 2007 Effective Date January 1, 2007