

Arizona Health Care Cost Containment System (AHCCCS) Office of Program Integrity

Required employee training established by
Public Law (PL) 109-171 Section 6032.



Deficit Reduction Act (DRA) Public Law 109-171

Eliminating Fraud, Waste and
Abuse in Medicaid



Establishing Written Policies

Any entity that receives or makes annual Medicaid payments, under the state plan, of at least \$5 Million shall establish the following:



Written Policies

- All employees and management to include contractor's and agent's must receive written information regarding the False Claims Act.



False Claims Act (FCA)

[United States Code Title 31 § 3729-3733](#)

- The False Claims Act, also known as the "Lincoln Law," dates back to the Civil War.



- The original law included "*qui tam*" provisions that allowed private persons to sue those who defrauded the Government and receive a percentage of any recovery from the defendant.



Activities Covered by the FCA

- Knowingly presenting (or causing to be presented) to the Federal Government a false or fraudulent claim for payment;
- Knowingly using (or causing to be used) a false record or statement to get a claim paid by the Federal Government;



Activities Covered by the FCA

Cont'd

- Conspiring with others to get a false or fraudulent claim paid by the Federal Government; and
- Knowingly using (or causing to be used) a false record or statement to conceal, avoid, or decrease an obligation to pay money or transmit property to the Federal Government.
- *In general, the False Claims Act covers fraud involving any federally funded contract or program, with the exception of tax fraud.*



Liability for violating the FCA

- Three times the dollar amount that the Government is defrauded (i.e., treble damages) and civil penalties of \$5,500 to \$11,000 for each false claim



How and When Can I Receive an Award for Blowing the Whistle Under the FCA?

- You must file a *qui tam* lawsuit. Merely informing the Government about the False Claims Act violation is not enough.
- The whistleblower that files a False Claims Act suit receives an award only ***if, and after,*** the Government recovers money from the defendant as a result of the lawsuit.



How Much Money Can I Receive for Filing a *Qui Tam* Lawsuit?

- Generally, the court may award between 15 and 30 percent of the total recovery from the defendant, whether through a favorable judgment or settlement.
- The amount of the award depends, in part, upon:
 - if the government participates in the suit and
 - the extent to which the person substantially contributed to the prosecution of the action



Is A Whistle Blower Protected Under the FCA?

- Under Section 3730(h) of the False Claims Act, any employee who is discharged, demoted, harassed, or otherwise discriminated against because of lawful acts by the employee in furtherance of an action under the Act is entitled to any relief necessary to make the employee whole.



Arizona Revised Statutes (ARS)

- ARS 13-1802: Theft
- ARS 13-2002: Forgery
- ARS 13-2310: Fraudulent schemes and artifices
- ARS 13-2311: Fraudulent schemes and practices; willful concealment
- ARS 36-2918: Prohibited acts



Each Organization Should

- Provide detailed written information and training to all employees, contractors and agents regarding:
 - Policies and procedures for detecting fraud, waste and abuse
 - Specific discussions regarding the False Claims Act
 - The rights of employees to be protected as whistle-blowers
 - The detection of fraud, waste and abuse



Web Sites

- Arizona Revised Statutes

www.azleg.state.az.us/ArizonaRevisedStatutes.asp

- Deficit Reduction Act – Public Law 109-171

www.gpoaccess.gov/plaws/index.html

(insert public law 109-171 in the quick search box)

