Responsible Department
UMMS Office of Management (OoM)
Contact: PrivacyandCompliance@umassmed.edu or 508-856-TEAM

STANDARD STATEMENT

Commonwealth Medicine (CWM) is committed to preventing, detecting and investigating fraud, waste and abuse in government programs and to educating its workforce with respect to: (1) the federal and state laws that prohibit the making of false claims or statements in connection with the submission of claims to the government, and (2) their duty to report violations of such laws.

A culture of compliance, appropriate tone at the top, and a comprehensive fraud, waste and abuse prevention and detection policy minimize fraud risk within an organization. Open lines of communication and training of employees regarding fraud, waste and abuse prevention and detection are key components of CWM’s Compliance Plan.

CWM is also committed to prohibiting retaliation against any workforce member who makes a good faith report of a false claim or any fraud, waste or abuse.

REASON FOR STANDARD

• To establish a comprehensive plan to prevent, detect and correct Fraud, Waste and Abuse and to promote integrity, awareness and vigilance through training on UMMS' procedures for preventing, detecting and correcting Fraud, Waste and Abuse.

• Where applicable, to satisfy CMS obligations for first tier, downstream and related entities to have an appropriate standard, procedures and training to prevent, detect and correct fraud, waste and abuse.

ENTITIES AFFECTED BY THIS STANDARD

This Standard applies to all CWM Workforce.

SCOPE

This Standard applies to CWM Workforce and relates to the prevention, detection and reporting of instances of fraud, waste and abuse, including but not limited to the submission of false claims by UMMS workforce members to state or federal governments as well as claims submitted by third parties to UMMS in its capacity as a state entity.

RELATED DOCUMENTS

Non-retaliation Standard/Whistleblower Standard
Policy on Fraudulent Financial Activities (Doc. T00-051)
Worcester Campus Policy on Fraudulent Financial Activities (Pol. 05.01.01)
DEFINITIONS: (See Glossary on Office of Management (OoM) website for additional definitions)

**Abuse:** Practices that are inconsistent with sound fiscal, business or health care practices and result in unnecessary cost to state and federally funded programs. Occurs when an individual or entity unintentionally provides information to Medicare or Medicaid which results in higher payments than the individual or entity is entitled to receive. For example: providing medically unnecessary services or providing services that fail to meet professional recognized standards of care.

**Fraud:** An intentional deception or misrepresentation that the individual knows to be false or does not believe to be true and that the individual makes knowing that the deception could result in some unauthorized benefit to himself/herself or to some other person. For example: billing for services not furnished.

**Waste:** The over or under utilization of services and/or inefficient use of resources that directly or indirectly result in unnecessary costs. Generally waste is not considered to be caused by criminally negligent actions but rather a misuse of resources. Examples include but are not limited to:
- Inaccurate claims submission resulting in unnecessary rebilling or claims;
- Redundancy, delays, and unnecessary process complexity;
- Sending employees to conferences unrelated to their work or unnecessary to perform their job functions;
- Pre-printed forms collecting information that is not used but if lost creates liability;

**False Claims:** Intentionally submitting false information to the government or a government contractor in order to get money or a benefit. Examples include but are not limited to:
- Billing for a service that one knows has already been paid in full;
- Creating false medical records or treatment plans to increase payments;
- Submitting inflated invoices to the government;
- Submitting a false certification of compliance, where government payment is conditioned on certification of compliance with a statute or regulations;
- Misrepresenting the qualifications of the individual providing services;
- Knowingly submitting an inaccurate billing code to increase reimbursement;
- Submitting a false statement in quality reporting data;
- Falsifying a grant application to secure a grant;
- Billing a federal grant for costs not related to the grant;
- Using state or federal government grant money for personal expenses; and
- Overcharging time, costs and other expenses associated with a grant.

**STATUTES**

**Federal False Claims Act:** 31 U.S.C. §§3729-3733
Federal law prohibits any person from knowingly submitting or causing to submit a false or fraudulent claim for payment or approval of government funds. This prohibition applies to healthcare claims as well as any false claim or statement submitted in connection with the submission of a request for payment to the federal government.

**Massachusetts False Claims Act:** MGL c. 12 §§ 5A - 5O
Massachusetts law (FCA) prohibits -- and authorizes the Massachusetts Attorney General to investigate -- false claims involving “state funds or funds from any political subdivision” of the
Commonwealth as well as false statements “material” to a false claim or “material” to an obligation to pay the Commonwealth.

**Criminal and Civil Penalties:**
Both federal and state False Claims Acts impose substantial civil and criminal penalties that, when applicable, can apply to state employees in their personal capacity:
- Civil penalties in the range of $5,500 to $11,000 per claim, plus three times the damages sustained, as well as exclusion from participation in federal health care programs or from entering into federal or state contracts.
- Criminal violations can result in large fines of $10,000 and/or up to five years in prison.

## PROCEDURES

A. Reporting Fraud, Waste, or Abuse
1. Any member of the CWM Workforce who suspects or has knowledge of Fraud, Waste or Abuse or the submission of False Claims to the state or federal government must report it to his or her supervisor or OoM.
2. Workforce members who do not wish to report the suspected Fraud, Waste or Abuse or the submission of False Claims to their supervisor may report directly such conduct to the UMMS Privacy, Compliance and Ethics Hotline at 508-856-TEAM (such reports may be made confidentially or anonymously).

B. All activity reported pursuant to this standard will be investigated by the appropriate officials at UMMS.

C. Corrective actions, as indicated, shall be implemented.

D. UMMS will not discriminate or retaliate against any staff member for reporting in good faith any potential or actual instances of Fraud, Waste or Abuse.

E. UMMS shall train its employees on Fraud, Waste and Abuse to prevent and assist in detecting and correcting Fraud, Waste and Abuse.

## RESPONSIBILITIES

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<th>CWM Workforce</th>
<th>Supervisor</th>
<th>OoM</th>
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<td>Any member of the Workforce who suspects Fraud, Waste or Abuse or the submission of False Claims to the state or federal government must report it to his or her supervisor or to OoM.</td>
<td>Supervisor must promote an open-door policy regarding receipt of reports of suspected Fraud, Waste, Abuse or submission of False Claims to the state or federal government</td>
<td>UMMS Compliance and Privacy Officer (hereinafter CPO or their designee) is responsible for the investigation or referral of any violations or potential violations of law, policy, procedures or standards reported to OoM or the Compliance hotline and for coordinating with appropriate University offices and personnel.</td>
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<td>Workforce shall ensure that all claims or approvals for</td>
<td>Supervisors must forward reports to OoM and must</td>
<td>CPO is responsible for training Workforce on</td>
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<td>payment submitted to the federal or state government are accurate.</td>
<td>protect the confidentiality of reports to the extent practical and permitted by law, University policy and CWM standards</td>
<td>Fraud, Waste and Abuse.</td>
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<td>Workforce shall not engage in any retaliation, retribution or harassment of any Workforce member for reporting Fraud, Waste or Abuse.</td>
<td>No supervisor shall engage in any retaliation, retribution or harassment of any member of the Workforce for the good faith reporting of suspected Fraud, Waste, or Abuse.</td>
<td>CPO is responsible for the initial review and assessment of any suspected or reported incident of Fraud, Waste or Abuse to determine whether a referral for investigation should be made.</td>
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<td>If a Workforce member does not believe that CWM has responded appropriately when given notification of a potential violation, that individual may have rights as a Relator under the federal and state False Claims Acts, as described in more detail in the statutory citations provided above.</td>
<td>CPO is responsible for investigating and, where appropriate, referring any claim of retaliation, retribution or harassment against a member of the Workforce for reporting suspected Fraud, Waste, Abuse or a suspected False Claims Act to an appropriate investigatory office.</td>
<td>CPO is responsible for coordinating with and providing follow-up and recommendations to HR or other appropriate University offices, to determine the appropriate action on behalf of the University and CWM with respect to any claim for which retaliation is confirmed.</td>
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Pursuant to the requirements of Policy 05.01.01, the CPO is responsible for referring any reports of fraudulent activity related to University funds that are reported to OoM to the Campus Police Department. Campus police will report such occurrences to the UMMS Controller.

Anyone found in violation of this standard may be subject to disciplinary action up to and including termination.

**DOCUMENT HISTORY**

Effective Date: March 1, 2016
Revision Dates(s): 5/5/2017
Review Date(s): 12/1/18

**APPROVAL**

_G.J. Campbell_
Gerry Campbell
UMMS Senior Privacy Officer
Office of Management