

North Carolina  
Division of Public Health

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MEDICAID FALSE CLAIMS  
ACT

COMPLIANCE POLICY  
TRAINING

# Who is this training for?

This training is required for all employees, contractors, temps and agents of the:

- State Laboratory Of Public Health,
- Child Development Services Agency (CDSA)  
Program

# What is the MEDICAID FALSE CLAIMS ACT?

The federal False Claims Act (31 U.S.C. 3729-3733) imposes liability on any person or entity who:

- Knowingly files a false or fraudulent claim for payments to Medicare, Medicaid or other federally funded health care program.
- Knowingly uses false record or statement to obtain payment on a false or fraudulent claim from Medicare, Medicaid or other federally funded health care program; or
- Conspires to defraud Medicare, Medicaid or other federally funded health care

# What is the State False Claims Act?

The Medical Assistance Provider False Claims Act (MAPFC) of 1997 makes it unlawful for any Medicaid provider to knowingly make or cause to be made a false claim for payment. Under the MAPFC “knowingly” means that a provider false claim for payment. Under the MAPFC “knowingly” means that a provider

- Has actual knowledge of the information
- Acts in deliberate ignorance of the truth or falsity of the information; or
- Acts in reckless disregard of the truth or falsity of the information. No proof of specific intent to defraud is required.

# What does the False Claims Act require?

**Each provider entity receiving 5 million dollars + dollars per year must:**

1. Provide all employees, contractors, and agents education concerning the federal false claims act and related state or federal provisions.
2. Have a compliance plan in place which includes methods and procedures for preventing/detecting fraud & abuse and curbing waste.

# Why comply?

## **Penalties for violations:**

A person or entity found liable under the False Claims Act is, generally, subject to civil money penalties of between \$5,000 and \$10,000 per claim plus three times the amount of damages sustained by the government.

**It's the law.**

**It's the right thing to do.**

# Who is covered?

Each provider entity receiving 5 million dollars or more per year from Medicaid. In the Division of Public Health, this includes:

- CDSA program
- State Laboratory for Public Health

# How do I report a compliance concern?

- You are encouraged to first report concerns to your supervisor.
- If you receive an inadequate response or are uncomfortable reporting the issue to your supervisor, contact the next appropriate party in the chain-of-command or report concerns directly to the DPH Compliance Services Officer.
- Employees may contact the DPH Compliance Services Officer at (919) 707-5179 or by e-mail at [hipaa.dph@dhhs.nc.gov](mailto:hipaa.dph@dhhs.nc.gov).

# What happens after I report a concern?

- The Compliance Services Officer will conduct an investigation, involving other resources as necessary.
- A summary report detailing the type of allegation and the final disposition of all incidents will be maintained by the Compliance Services Officer.
- If a corrective action plan is required, the corrective action plans will be in writing with consultation from the appropriate administrative or clinical senior level official.
- Confidentiality regarding employee concerns and problems will be maintained at all times insofar as is legal and practical.

# Will I be punished/get in trouble for filing a report?

Each employee has a duty to report possible wrongdoing or suspected violations.

The Division has an open door policy available to all employees acting in good faith to encourage communication, dialogue, and the reporting of incidents of potential wrongdoing or suspected violations.

The Division of Public Health will not retaliate or discriminate against any employee who makes good faith report of a suspected violation regarding the observed conduct or actions by another person by reason of such a report being made.

# Where can I get more information?

The full DPH policy and procedure is available at <http://publichealth.nc.gov/employees/polproc.htm>.

If you have questions, contact your supervisor or the DPH Compliance Services Officer.

# Thank you for completing the training.

Go to

<http://publichealth.nc.gov/employees/PDF/policy/riskmgmt/FCAEmployeeNotice.doc>

Read, print and sign the Federal False Claims Act Education Employee Notice. Give the completed form to your supervisor.