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**DIRECTIVE NUMBER:** SNH041 **REVISION:** 1

**DIRECTIVE TITLE:** Fraud, Waste, and Abuse Prevention Plan **DATE:** 03/23

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### APPROVALS

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**1.0 PURPOSE**

To establish a comprehensive plan designed to detect, investigate, resolve, correct and report incidents of suspected Fraud, Waste, and Abuse (FWA) in compliance with all applicable state and federal laws and regulations, and to support Senior Network Health (SNH) compliance standards and guidelines.

**2.0 SCOPE**

All SNH Directors, Officers, Employees, and Governing Body.

**3.0 REFERENCES**

18 NYCRR Part 521

MVHS Compliance Plan

New York State Partial Capitated Model Contract 01-01-22 to 12-31-26

**4.0 DEFINITIONS / ABBREVIATIONS**

CMS – Centers for Medicaid and Medicare Services

DOH – or NYSDOH – New York State Department of Health

FWA – Fraud, Waste, and Abuse

MFCU – Medicaid Fraud Control Unit (under the Attorney General of the State of New York)

MLTC – Managed Long Term Care Plan

MMCO – Medicaid Managed Care Organization

MVHS – Mohawk Valley Health System

OMIG – Office of the Medicaid Inspector General

SNH – Senior Network Health, LLC

**Abuse** Practices that are inconsistent with sound fiscal, business, medical or professional practices, and which result in unnecessary costs to the Medicaid program, payments for services that were not medically necessary, or payments for services which fail to meet recognized standards for health care. It also includes enrollee practices that result in unnecessary costs to the Medicaid program.

**Fraud** An intentional deception or misrepresentation made with the knowledge that the deception could result in some unauthorized benefit to the provider, Contractor, Subcontractor, or another person. It also includes any other act that constitutes fraud under applicable Federal or State Law.

**Potential** Having or showing the capacity to become or develop into fraud, waste or abuse in the future.

**Waste** The overutilization of services, or other practices that directly or indirectly, result in unnecessary cost to the Medicaid program. Waste does not necessarily involve personal gain, but often signifies poor management decisions, practices or controls.

**5.0 PROCEDURE / DIRECTIVE**

5.1 **Record Requests and Access to Records.** SNH recognizes that cooperation with OMIG, MFCU and other DOH departments or authorized representatives helps the objective of reducing Medicaid Fraud, Waste, and Abuse (FWA).

5.1.1 SNH will supply records and information requested from these agencies, or other authorized representatives, in the form requested and will allow access to SNH facilities at any time. SNH will provide copies of records free of charge.

5.1.2 SNH will permit OMIG, DOH, and MFCU to conduct private interviews of SNH staff, contractors and their personnel, witnesses, and enrollees. SNH personnel and SNH contractors and their personnel will be available for in-person interviews, consultations, grand jury proceedings, pre-trial conferences, hearings, trials, and investigations, as required by DOH, OMIG, or MFCU.

- 5.2 **Training.** FWA training is given to all SNH personnel upon hire and annually thereafter. Additional focused training may be conducted as deemed necessary by the Chief Compliance Office or designee.
- 5.3 **Compliance Department.** The SNH Compliance Department includes organizational supervisors, department managers, and a Chief Compliance Officer. The Compliance Department is responsible for preventing, detecting, investigating, and reporting suspected FWA.
- 5.3.1 Quarterly meetings are held by the Compliance Department.
- 5.3.2 Compliance findings are reported quarterly to the SNH Governing Board.
- 5.3.3 A full-time Special Investigations Unit will be established if the SNH member population reaches one thousand (1,000) or more members in a year (or as required by law).
- 5.4 **Audits.** SNH will conduct regular audits to prevent and detect possible FWA. Auditing will also be used to investigate reports of suspected FWA.
- 5.4.1 Detection audits and reviews will be conducted to include at least one percent (1%) of the aggregate of Medicaid claims paid (based on the prior year). Audits and Reviews will compare claims data with clinical data (such as case notes) to ensure:
- There were no duplicate payments made;
  - Service authorizations were medically appropriate;
  - Billing codes were appropriate;
  - Accurate encounter data was reported to the DOH;
  - Services and items billed were received by the member (including randomized audits of Consumer Directed Personal Assistance Services); and
  - Overpayments are identified, including retroactive disenrollments.
- 5.5 **Potential FWA.** Any activity that has the potential to become or develop into fraud, waste, and abuse must be reported and investigated.
- 5.5.1 Instructions on how to report potential FWA are available on the SNH website and in the SNH Fraud, Waste, and Abuse Detection Manual.
- 5.5.2 All SNH personnel, including its board members and directors, are encouraged and required to report any potential FWA. SNH also encourages its members and requires its providers to report potential FWA.
- SNH maintains FWA information on its website to educate its members and providers.
  - Reporters of potential FWA may choose to do so anonymously. However, some information may need to be obtained to complete an investigation. This information will be maintained in a secure spreadsheet.
  - SNH will never retaliate or harrass in any manner the reporters of potential FWA. SNH employees found to have engaged in such conduct will be subject to discipline up to and including termination.
- 5.6 **Investigating Potential FWA.** The Compliance Department will investigate all reports of potential FWA. Investigations may include interviews with personnel, providers and their personnel, and members; audits as described above; and collaboration with law enforcement or government agencies as necessary.
- 5.7 **Reporting FWA.** If the Compliance Department's investigation concludes that the allegation or complaint is potentially substantiated, SNH must report the findings to OMIG using the OMIG Medicaid Managed Care Organizations Potential Fraud, Waste, and Abuse Referral form (attached) via the NY Health Commerce System (or as otherwise directed by OMIG). SNH will submit the form in the manner directed by OMIG.
- 5.7.1 The following information must be included:
- Information about the subject of the report (such as the person or provider name, Medicaid number, address, type of provider);
  - The source of the allegation or complaint;

- The date the allegation was reported to SNH (or date SNH became aware if different);
- Summary of the investigation;
- A description of the misconduct;
- The amount SNH paid to the person or provider during the past three (3) years or during the period of the alleged misconduct, whichever is greater;
- All communication between SNH and the person/provider concerning the issue;
- SNH contact information for person leading the investigation;
- An estimate of the overpayment (if available); and
- Any copies of the investigation file and related material.

5.8 **Reporting Reasonably Suspected Criminal Activity.** SNH will refer suspected criminal activity immediately to OMIG and MFCU, via email, or as currently directed by OMIG and MFCU. OMIG’s FWA Referral form will not be utilized.

5.9 **Annual Reporting of FWA Activity.** SNH will report on the state and effectiveness of its FWA prevention program annually as requested by OMIG, including cost effectiveness, proposals for changes to the SNH FWA program, summary of activities and cases, results of service verification reviews, and other data as requested.

**6.0 FLOWCHART/ATTACHMENTS**

Attachment A: SNH Fraud Waste and Abuse Detection Manual SNH042

Attachment B: OMIG Medicaid MCOs Potential Fraud, Waste, and Abuse Referral Form

**7.0 REVISION / REVIEW HISTORY**

REVISION	DESCRIPTION	DATE
1	New	03/23