

1 **103 FRAUD, WASTE, AND ABUSE**

2 REVISION DATE: xx/xx/xxxx

3 REVIEW DATE: 9/6/2023

4 EFFECTIVE DATE: October 1, 2019 ~~8/9/2023~~

5 REFERENCES: ~~A.R.S. §§ 36-2903, 2918 and 2957; A.A.C. R9-22-702; 42~~

6 ~~CFR 438.608, 42 CFR 455.2, 12-23, 100-106, and 436; State Medicaid~~

7 ~~Director Letters 08-003 and 09-001; Section 6032 of the Deficit Reduction~~

8 ~~Act, Federal False Claims Act A.R.S. § 36-2901, A.R.S. § 36-2918, A.R.S. §~~

9 ~~36-2957, A.R.S. §36-2903.01(K); A.A.C. R9-22-702; 42 CFR 455.101, 42~~

10 ~~CFR 438.608, 42 CFR Part 438, Subpart H, 42 CFR 455, 42 CFR 455,~~

11 ~~Subpart A, 42 CFR 455, Subpart B, 42 CFR 455.2, 42 CFR 455.23, 42 CFR~~

12 ~~455.101, 42 CFR 455.436; ACOM Policy 103; Division Operations Policy 103;~~

13 ~~State Medicaid Director Letters 08-003 and 09-001; Section 6032 of the~~

14 ~~Deficit Reduction Act~~

15 ~~DELIVERABLES: Attestation of Disclosure Information: of Ownership and~~

16 ~~Control and Disclosure of Information on Persons Convicted of a Crime,~~

17 ~~including Attestation; Change in Contractor Organizational Structure:~~

18 ~~Disclosure of Ownership and Control and Disclosure of Information on~~

19 ~~Persons Convicted of a Crime Information; Corporate Compliance External~~
20 ~~Audit Plan; Corporate Compliance Plan; Corporate Compliance: Executive~~
21 ~~Audit Report Summary; Corporate Compliance: External Auditing~~
22 ~~Plan/Schedule; Corporate Compliance: External Auditing Schedule Changes;~~
23 ~~Corporate Compliance: Exclusions Identified Regarding Persons Convicted of~~
24 ~~a Crime; Recovered Overpayment; Report Alleged Fraud/, Waste/, Abuse of~~
25 ~~the AHCCCS Program~~

26 **PURPOSE**

27 This policy applies to the Administrative Services Subcontractors (AdSS) of
28 the Division of Developmental Disabilities (~~The Division or DDD~~). The
29 purpose of this policy is to outline the corporate compliance requirements
30 including the reporting responsibilities for alleged ~~F~~fraud, ~~W~~waste, ~~or~~
31 ~~A~~abuse, involving services funded by the Division. This policy also addresses
32 additional responsibilities regarding regulatory compliance with broader
33 program integrity, ~~regulatory~~, and programmatic requirements.

34 **DEFINITIONS**

- 35 1. ~~"Abuse" of the Program~~ means ~~P~~provider practices that are
36 inconsistent with sound fiscal, business, or medical practices,

37 and result in an unnecessary cost to the AHCCGSDivision
38 program, or in reimbursement for services that are not medically
39 necessary or that fail to meet professionally recognized
40 standards for health care. ~~It also~~ includes esing beneficiary
41 practices that result in unnecessary cost to the AHCCGSDivision
42 Program. ~~42 CFR 455.2.~~

43 B2. "Administrative Services Subcontract" ~~An~~ means an agreement
44 that delegates any of the requirements of the contract with the
45 Division, including, but not limited to the following:

46 ~~1a.~~ a. Claims processing, including pharmacy claims

47 b. Pharmacy Benefit Manager (PBM)

48 c. Dental Benefit Manager

49 ~~2d.~~ d. Credentialing, including those for only primary source
50 verification ~~(through Credential Verification Organization~~

51 ~~{CVO})~~

52 e. Medicaid Accountable Care Organization (ACO)

53 ~~3.~~ Management Service Agreements

- 54 4f. Service Level Agreements with any division or subsidiary of
55 a corporate parent owner; providers are not AdSS.
- 56 g. ~~DD~~ CHP and the Division Subcontracted Health Plan
- 57 i. A person, (individual or entity,) who holds an
58 Administrative Services Subcontract is an
59 Administrative Sservices Ssubcontractor.
- 60 ii. Providers are not Aadministrative Sservices
61 Ssubcontractors.
- 62 3. "Agent" -means any person who has been delegated the
63 authority to obligate or act on behalf of a Provider as specified in
64 42 CFR 455.101.
- 65 4. "Contract" means the AdSS contract with the Division.
- 66 €5. "Corporate Compliance Officer" --means an individual located in
67 Arizona and who implements and oversees the AdSS Compliance
68 Program. The Corporate Compliance Officer shall be a
69 management official, available to all employees, with designated
70 and recognized authority to access records and make
71 independent referrals to the AHCCCS Office of the Inspector

72 General. The Corporate Compliance Officer shall not hold any
73 other position other than the Contract Compliance Officer
74 position. The Corporate Compliance Officer shall be an onsite
75 management official who reports directly to the Contractor’s
76 AdSS Chief Executive Officer (CEO) and Board of Directors, if
77 applicable. The Corporate Compliance Officer shall be responsible
78 for developing and implementing policies, procedures and
79 practices designed to ensure compliance with the requirements
80 of the Contract as specified in 42 CFR 438.608.

81 ~~The on-site management official designated by each AdSS to~~
82 ~~implement, oversee and administer the AdSS’ compliance~~
83 ~~program. The Corporate Compliance Officer must be available to~~
84 ~~all of the AdSS’s employees, and possess the authority to access~~
85 ~~and provide records, and make independent referrals to the~~
86 ~~AHCCCS Office of Inspector General (42 CFR 438.608).~~

87 **D6.** “Credible Allegation of Fraud” -means the State Medicaid agency
88 has reviewed all allegations, facts, and evidence carefully and
89 acts judiciously on a case-by-case basis. as specified in 42 CFR

90 ~~455.2. A credible allegation of fraud may be an allegation,~~
91 ~~which has been verified by the State, from any source, including,~~
92 ~~but not limited to, the following:~~

- 93 ~~1. Fraud hotline complaints~~
- 94 ~~2. Claims data mining~~
- 95 ~~3. Patterns identified through provider audits, civil false claims~~
96 ~~cases, and law enforcement investigations. Allegations are~~
97 ~~considered to be credible when they have indications of~~
98 ~~reliability and the state Medicaid agency has reviewed all~~
99 ~~allegations, facts, and evidence carefully and acts~~
100 ~~judiciously on a case by case basis (42 CFR 455.2).~~

101 ~~E7. "Fraud" means A~~an intentional deception or misrepresentation
102 made by a person with the knowledge that the deception could
103 result in some unauthorized benefit to himself or some other
104 person. ~~It includes~~ing any act that constitutes fraud under
105 applicable ~~S~~state or ~~F~~federal law, ~~as defined in 42 CFR 455.2.~~
106 ~~(42 CFR 455.2).~~

107 ~~F8.~~ "Managing Employee" ~~—A~~means a general manager, business
108 manager, administrator, director, or other individual who
109 exercises operational or managerial control over, or who directly
110 or indirectly conducts the day-to-day operation of an institution,
111 organization, or agency as outlined in (42 CFR 455.101).

112 9. "Member" means the same as "Client" as defined in A.R.S. § 36-
113 551.

114 ~~G10.~~ "Provider" - ~~Any person or entity that furnishes Division-funded~~
115 ~~services~~means a person, institution, or group engaged in the
116 delivery of services, or ordering and referring those services,
117 who has an agreement with the Division to provide services to
118 Division Members.

119 ~~H11.~~ "Waste" - ~~means~~ Overutilization or inappropriate utilization of
120 services, ~~m~~ Misuse of resources, or practices that result in
121 unnecessary costs to the Medicaid Program.

122 **POLICY**

123 ~~A.~~ **AUTHORITY**

124 ~~The AHCCCS Office of Inspector General (AHCCCS-OIG) is the division~~
125 ~~of AHCCCS that has the authority to conduct preliminary and full~~
126 ~~investigations, relating to fraud, waste, and abuse, involving the~~
127 ~~programs administered by AHCCCS. Pursuant to 42 CFR 455.12-23~~
128 ~~and an Intergovernmental Agreement with the Arizona Attorney~~
129 ~~General's Office, AHCCCS-OIG refers cases of suspected Medicaid~~
130 ~~fraud to the State Medicaid Fraud Control Unit for appropriate legal~~
131 ~~action. AHCCCS-OIG also has the authority to make independent~~
132 ~~referrals to other law enforcement entities.~~

133 ~~1. Pursuant to A.R.S. § 36-2918, AHCCCS-OIG has the authority to~~
134 ~~issue subpoenas and enforce the attendance of witnesses,~~
135 ~~administer oaths or affirmations, examine witnesses under oath,~~
136 ~~and take testimony, as the Inspector General deems relevant or~~
137 ~~material to an investigation, examination, or review undertaken~~
138 ~~by the Office.~~

139 ~~2. Pursuant to A.R.S. §§ 36-2918 and 36-2957, AHCCCS-OIG has~~
140 ~~the authority to impose a civil monetary penalty of up to~~
141 ~~\$2,000.00 for each item or service claimed, and/or an~~

142 ~~assessment of an amount not to exceed twice the amount~~
143 ~~claimed.~~

144 ~~3. AHCCCS-OIG has been designated as a Criminal Justice Agency~~
145 ~~through the Federal Bureau of Investigations (FBI). This~~
146 ~~designation authorizes AHCCCS-OIG to access the National~~
147 ~~Crime Information Center (NCIC) database as well as the~~
148 ~~Arizona Criminal Justice Information System. Additionally, OIG is~~
149 ~~authorized to receive and share restricted criminal justice~~
150 ~~information with other federal, state, and local agencies.~~

151 ~~4. If AHCCCS-OIG determines that a credible allegation of fraud~~
152 ~~exists, AHCCCS-OIG may suspend payments to providers~~
153 ~~pursuant to 42 CFR 455.23.~~

154 **~~BA. ADSS RESPONSIBILITIES~~** The AdSS ~~must~~shall:

- 155 1. Have in place internal controls, policies, and procedures, to:
 - 156 a. Prevent, detect, and report credible fraud, waste, and
157 abuse activities to the Division.
 - 158 b. Implement a suspension, termination, or exclusion of a
159 provider from the ADSS network of providers.

- 160 2. Have a Corporate Compliance Program that complies with the
161 AdSS's contract with the Division and ~~with~~ all state and federal
162 laws, including 42 CFR Part 438, Subpart H and is developed
163 under the AdSS corporate compliance plan including:
164 a. Program integrity goals and objectives;
165 b. Descriptions of internal and external controls employed by
166 the AdSS to ensure compliance with State and Federal
167 law; and
168 c. The AdSS's corporate compliance activities, as outlined in
169 ACOM 103.
170 ~~d. The roles and responsibilities of the AdSS's staff, as they~~
171 ~~relate to the Corporate Compliance Program.~~
172 ~~The Division has adopted Attachment B of the AHCCCS~~
173 ~~Operations Manual, Policy 103.~~
174 ~~The AdSS can use the sample provided under Attachment B for~~
175 ~~guidance on how to present such compliance activities. The~~
176 ~~AdSS's written Corporate Compliance Plan must be submitted to~~

- 177 ~~the Division annually as specified in Section F3, Contractor Chart~~
178 ~~of Deliverables.~~
- 179 3. Submit the AdSS written Corporate Compliance Plan to the
180 Division annually, as specified in the Contract. Have Corporate
181 Compliance Plan that includes a program integrity audit/review
182 program designed to identify fraud, waste, and abuse. This
183 program must ensure that the AdSS tracks inadequate billing
184 practices and identifies emerging trends in an effort to provide
185 technical assistance to contracted providers and avoid future
186 occurrences of problematic billing.
- 187 4. Submit to the Division an external audit plan/schedule and audit
188 report of all individual provider audits using ACOM 103
189 Attachment C ~~Division~~ as specified in Section ~~(F)(3)~~ of the AdSS
190 contract with the Division, Contractor Chart of Deliverables.
- 191 a. In each audit report, the AdSS shall include: ~~at a~~
192 minimum:
- 193 i. An objective, scope, estimated dollars at risk,
194 current audit results, key audit findings,

- 195 recommendations, corrective actions required, and
196 conclusion;
- 197 ii. Copies of the report for each audit scheduled and
198 completed; and
- 199 iii. If an audit was not completed timely, ~~the audit~~
200 ~~report shall~~ include a reason why ~~the audit was not~~
201 ~~completed~~ and a date when the audit will be
202 completed. ~~in the future.~~
- 203 b. AdSS shall submit a minimum of 20 audits semiannually.
- 204 c. The AdSS shall submit follow-up audits ~~should be~~
205 ~~submitted~~ on a separate ACOM 103 Attachment C and not
206 count towards the required minimum audit numbers as
207 stated above in this subsection.
- 208 ~~The External Audit Plan shall include the following information~~
209 ~~using Attachment C:~~
- 210 i. ~~Provider Name,~~
- 211 ii. ~~AHCCCS ID #,~~
- 212 iii. ~~Location,~~

- 213 ~~iv. Provider Type,~~
- 214 ~~v. Audit Type,~~
- 215 ~~vi. Planned Audit Date,~~
- 216 ~~vii. Audit Look-Back Period~~
- 217 ~~viii. Total number of In-Network Providers, and~~
- 218 ~~ix. Number of Providers to be audited~~
- 219 ~~b. The External Audit Plan shall include the following~~
- 220 ~~information using Attachment C:~~
- 221 ~~i. Location,~~
- 222 ~~ii. Agency Name/Provider,~~
- 223 ~~iii. Date(s) of Audit,~~
- 224 ~~iv. AHCCCS ID,~~
- 225 ~~v. Provider Type,~~
- 226 ~~vi. Audit Type, and~~
- 227 ~~vii. New/Follow-up Audit.~~
- 228 ~~c. The Executive Summary shall include at a minimum:~~

- 229 ~~i. A summary statement regarding audits, trends, and~~
230 ~~any countermeasures implemented by the~~
231 ~~contractor,~~
232 ~~ii. Copies of the report for each audit scheduled and~~
233 ~~completed,~~
234 ~~iii. In the event that an audit was not timely completed,~~
235 ~~the Executive Summary shall include a reason why~~
236 ~~the audit was not completed and a date when the~~
237 ~~audit will be completed in the future, and~~
238 ~~iv. Estimated dollar amount at risk.~~
239 5. Submit complete, accurate, and current disclosure information,
240 as described in 42 CFR Part 455, Subpart B and as specified in
241 Contract, upon execution of a Contract with the State and upon
242 renewal of extension of the Contract utilizing Attachment A and
243 Attachment A-1.
244 a. The AdSS shall ensure review of its response by its legal
245 counsel prior to submitting disclosure information.

246 b. As specified in Contract, the AdSS shall submit all
247 information electronically, without any exceptions. ~~will be~~
248 ~~made to have materials submitted by other methods.~~
249 c. AHCCCS/Office of Administrative Legal Services (OALS)
250 and AHCCCS-OIG reviews the ~~Contractor's~~ AdSS submitted
251 disclosure information for completeness and AHCCCS-OIG
252 screens and confirms that persons listed in the submitted
253 information are not excluded from participation in the
254 Medicaid program.
255 ~~Obtain and disclose the information regarding ownership and control,~~
256 ~~and disclosure of information on persons convicted of crimes in~~
257 ~~accordance with 42 CFR 455.100-106, 42 CFR 455.436, State~~
258 ~~Medicaid Director Letters 08-003 and 09-001, and the~~
259 ~~contractual provisions contained in the contract.~~
260 ~~6. The AdSS must also obtain and disclose the same information~~
261 ~~specified subsection (5) regarding its subcontractors.~~
262 67. Complete all information as specified in ACOM 103 Attachment A
263 and Attachment A-1 to enable AHCCCS-OIG to confirm that

264 persons with an ownership or control interest in the AdSS are
265 not excluded from participation in the Medicaid program.
266 a. The AdSS shall also obtain and disclose the information
267 regarding the ownership and control interest of its
268 subcontractors.
269 b. The AdSS shall retain the results of the disclosure of
270 ownership and control and the disclosure of information on
271 persons convicted of crimes and reported to the Division.
272 c. The AdSS shall complete and submit an attestation as
273 specified in ACOM 103 Attachment A along with the
274 disclosure information described in this subsection and that
275 the information provided is accurate, complete, and
276 truthful.
277 d. Consistent with 42 CFR 457.990 and 42 CFR 438.606, the
278 AdSS Chief Executive Officer, Chief Financial Officer, or an
279 individual who reports directly to the Chief Executive
280 Officer or Chief Financial Officer with delegated authority

281 to sign for the Chief Executive Officer or Chief Financial
282 Officer shall sign the attestation.

283 e. Failure to provide all complete and accurate disclosures
284 and an attestation signed by an individual with appropriate
285 authority may result in the withholding of payments under
286 the Contract or the recovery, recoupment, or offset of any
287 monies remitted without limitation. ~~Hold~~ ~~The results of the~~
288 ~~Disclosure of Ownership and Control and the Disclosure of~~
289 ~~Information on Persons Convicted of Crimes must be held~~
290 ~~by the AdSS.~~

291 87. Disclose, and require its subcontractors to disclose, to the
292 Division the identity of any employee or person with ownership
293 or control interest who is excluded from participation in any
294 federal healthcare programs. ~~The AdSS must d~~ Disclose to the
295 ~~Division the identity of any person excluded from participation in~~
296 ~~federal healthcare programs.~~

297 ~~69. Submit annually Attachment A in the AHCCCS Operations~~
298 ~~Manual, Chapter 103, Attestation of: Disclosure of Ownership~~

299 ~~and Control and Disclosure of Information of Persons Convicted~~
300 ~~of a Crime, as specified in Section F3, Contractor Chart of~~
301 ~~Deliverables, attesting that the information has been obtained~~
302 ~~and verified by the AdSS, or upon request, provide this~~
303 ~~information to the Division.~~

304 ~~78.~~ Comply with the requirements of Section 6032 Deficit Reduction
305 Act of 2005 (DRA) [Section 1902(a)(68) of the Social Security
306 Act, 42 CFR 457.1285, and 42 CFR 438.608(a)(6)].

307 ~~Comply with Section 6032 of the Deficit Reduction Act.~~

308 ~~8910.~~ As a condition for receiving payments, establish written policies,
309 and ensure adequate training and ongoing education for, all of
310 its employees, including management, Members, and of any
311 subcontractors or Agents of the AdSS regarding the following:

312 ~~Ensure all employees, subcontracted providers, and members receive~~
313 ~~adequate training and ongoing education on all of the following~~
314 ~~aspects of the Federal False Claims Act provisions:~~

315 a. Detailed information about the Federal False Claims Act;

- 316 b. The administrative remedies for false claims and
317 statements;
- 318 cb. Any state laws relating to civil or criminal penalties for
319 false claims and statements; and
320 de. The whistleblower protections under such laws.
- 321 ~~9101.~~ Ensure adequate training addressing Fraud, Waste, and
322 Abusse prevention, recognition and reporting, and encourage
323 employees, ~~contracted providers, and m~~Members, and any
324 subcontractors to report Fraud, Waste, and Abusse without
325 fear of retaliation.
- 326 ~~10112.~~ ~~Ensure an internal reporting process that is well defined~~
327 ~~and made known to all employees. Ensure an internal reporting~~
328 ~~process relating to the reporting of Fraud, Waste, or Abuse that~~
329 ~~is well-defined is made known to all employees, Members, and~~
330 ~~any subcontractors.~~
- 331 ~~11123.~~ Conduct research and proactively identify changes for
332 program integrity that are relevant to their corporate compliance
333 program, and periodically review and revise the Fraud, Waste,

334 and Aabuse policies or guidance from the Division or AHCCCS to
335 reflect such changes due to rules, regulations, or new initiatives.

336 ~~121~~134. — Regularly attend and participate in Division work group
337 meetings.

338 ~~131~~145. — Respond promptly and not later than ~~30~~20 days to
339 requests for information from the Division.

340 ~~141~~156. — Cooperate with the Division regarding any allegation of
341 Mmember billing in violation of A.R.S. § 36-2903.01(~~K~~L) and
342 A.A.C. R9-22-702.

343 ~~151~~167. — Have a method of verifying with Division members that
344 they ~~Division members~~ received the services billed by
345 Pproviders, to identify potential service ~~or~~ claim fraud.

346 ~~178~~. ~~The AdSS must p~~Perform periodic audits through Mmember
347 contact and ~~to~~ report the results of these audits to the Division
348 as ~~specified~~described in ~~this Manual~~ACOM, Policy 424.

349 ~~161~~189. ~~Be in~~Maintain Compliance with all Sstate and Ffederal
350 laws and regulations related to ~~f~~Fraud, ~~w~~Waste, and ~~a~~Abuse,
351 even if not directly ~~detailed~~specified in this policy.

352 **BC. REPORTING RESPONSIBILITIES**

353 1. Fraud, Waste, and Abuse

354 a. If an AdSS discovers, or is made aware, that an incident of
355 alleged ~~F~~fraud, ~~W~~waste, or ~~A~~abuse has occurred ~~or is~~
356 ~~occurring~~, the AdSS ~~must~~shall immediately report the
357 incident to AHCCCS-OIG ~~within ten business days, by~~
358 ~~completing and submitting the reporting form available on~~
359 ~~the AHCCCS-OIG webpage under Report Suspected Fraud~~
360 ~~or Abuse of the Program. as specified in Contract and by~~
361 ~~completing and submitting the "Report Member, Provider,~~
362 ~~or Contractor Suspected Fraud or Abuse of the Program"~~
363 ~~form available on the AHCCCS-OIG webpage, and attach~~
364 ~~all pertinent documentation that ~~w~~could assist AHCCCS in~~
365 ~~its investigation shall be attached to the form.~~

366 ~~All pertinent documentation that would assist AHCCCS in its~~
367 ~~investigation must be attached to the form.~~

368 b. If the AdSS identifies an incident that warrants self-
369 disclosure, the AdSS shall report the incident ~~must be~~

370 ~~reported~~ within ten ~~calendar~~business days to AHCCCS-OIG
371 by completing and submitting the Provider Self-Disclosure
372 form available on the AHCCCS-OIG webpage. ~~A and attach~~
373 all pertinent documentation that ~~c~~would assist AHCCCS in
374 its investigation. ~~must be attached to the form.~~

375 c. ~~When Once~~ the AdSS has referred a case of alleged ~~F~~fraud,
376 ~~W~~waste, or ~~A~~abuse to AHCCCS-OIG, the AdSS ~~shall~~must
377 take no action to recoup ~~or otherwise~~ offset ~~any~~
378 ~~suspected overpayments.~~ or act in any manner
379 inconsistent with AHCCCS-OIG's authority to conduct a full
380 investigation, obtain a comprehensive recovery of any
381 suspected overpayments, and/or impose a civil monetary
382 penalty;

383 d. The AdSS shall conduct preliminary review work regarding
384 a referral at the request of AHCCCS-OIG in order to
385 expand the allegation and obtain documentation to support
386 the investigation being conducted by AHCCCS-OIG;In the
387 event AHCCCS-OIG feels it would be beneficial to seek

- 388 ~~additional and/or clarifying details regarding a referral~~
389 ~~from the AdSS, AHCCCS-OIG may first choose to request~~
390 ~~preliminary review work from the AdSS in order to expand~~
391 ~~the allegation and to obtain further documentation that will~~
392 ~~support an investigation by AHCCCS-OIG.~~
- 393 e. The AdSS shall provide documentation requested by
394 AHCCCS-OIG within 30 calendar days of the request.~~If~~
395 ~~AHCCCS-OIG chooses to seek additional and/or clarifying~~
396 ~~details regarding a referral from the AdSS, the AdSS will~~
397 ~~have 30 business days or more to provide the requested~~
398 ~~documentation, or provide an update as to the status of~~
399 ~~completing such request.~~
- 400 f. ~~Once AHCCCS-OIG receives a referral, it will conduct a~~
401 ~~preliminary investigation to determine whether there is~~
402 ~~sufficient basis to warrant a full investigation.~~
- 403 g. The AdSS may receive notification from AHCCCS-OIG when
404 the investigation concludes in a manner that safeguards
405 the integrity and confidentiality of the investigation;

406 ~~AHCCCS-OIG will notify the AdSS when the investigation~~
407 ~~concludes in a manner that safeguards the integrity and~~
408 ~~confidentiality of the investigation.~~

409 hg. The AdSS shall ensure proper disposition of any matters
410 returned by AHCCCS-OIG as non-medicaid Fraud, Waste,
411 or Abuse in accordance with any applicable laws and
412 contracts; If it is determined by AHCCCS-OIG not to be a
413 fraud, waste, or abuse case, AHCCCS-OIG will return the
414 matter to the AdSS for disposition in accordance with any
415 applicable laws and/or contracts.

416 hi. The AdSS agrees that shall adhere to the requirement that
417 AHCCCS-OIG has the sole authority to handle and dispose
418 of any matter involving Ffraud, Wwaste, or Aabuse. and
419 The AdSS assigns to AHCCCS the right to recoup any
420 amounts overpaid to a Pprovider as a result of Ffraud,
421 Wwaste, or Aabuse.

422 i. If Tthe AdSS shall forward receives anything of value that
423 could be construed to represent the repayment of any

424 amount expended due to ~~F~~fraud, ~~W~~waste or ~~A~~abuse that is
425 recovered; ~~the AdSS must forward that recovery to~~
426 AHCCCS-OIG within 30 days of its receipt.

427 j. As specified in the AHCCCS Minimum Subcontractor
428 Provisions (MSPs), the ~~above~~ requirements outlined in
429 this section shall apply to any actions undertaken by the
430 AdSS on behalf of a subcontractor.

431 jk. The AdSS shall relinquishes each, every, any and all
432 claims to any monies, received by AHCCCS as a result of
433 any program integrity efforts including; ~~that include, but~~
434 ~~are not limited to:~~

435 i. Recovery of an overpayment;

436 ii. Civil monetary penalties ~~and~~/or assessments;i

437 iii. Civil settlements ~~and~~/or judgments;i

438 iv. Criminal restitution;i

439 v. Collection by AHCCCS or indirectly on AHCCCS'
440 behalf by the Office of the Attorney General; or

441 vi. Other, as applicable.

- 442 ~~j~~l. The AdSS ~~must also shall~~ report to AHCCCS, as specified in
443 Contract, ~~and the~~ Division Medical Policy 950, any
444 credentialing denials including ~~;~~ ~~but not limited to:~~
445 i. That ~~these which~~ are the result of licensure issues;
446 ii. Quality of care concerns;
447 iii. Excluded, ~~terminated, or otherwise sanctioned~~
448 ~~P~~providers; ~~or~~
449 iv. Alleged ~~F~~fraud, ~~W~~waste, or ~~A~~abuse.

450 **~~DC~~. THE ~~DIVISION'S~~ AdSS CORPORATE COMPLIANCE**

451 **RESPONSIBILITIES RELATED TO FRAUD, WASTE, AND ABUSE**

452 **1. The AdSS shall:**

- 453 ~~1~~a. ~~Conduct pre fact findings of viable allegations of m~~Member
454 ~~and p~~Provider ~~f~~Fraud. ~~Process all referrals of allegations of~~
455 ~~suspected Member and provider Fraud, Waste, or Abuse.~~
456 ~~2~~b. Oversee, monitor, and ~~be the focal point for, the Division's~~
457 ~~compliance program, with the authority to~~ review all
458 documents and functions as they relate to ~~f~~Fraud, ~~w~~Waste,
459 and ~~a~~A abuse prevention, detection, and reporting.

- 460 ~~3c.~~ Maintain and monitor a tracking system of ~~f~~Fraud, ~~w~~Waste,
461 and ~~a~~Abuse investigations.
- 462 ~~4d.~~ Ensure all employees, ~~AdSS,~~ ~~p~~Providers, ~~Agents,~~ and
463 ~~m~~Members receive adequate training and information
464 regarding ~~f~~Fraud, ~~w~~Waste and ~~a~~Abuse prevention,
465 identification and reporting.
- 466 ~~e.~~ Assure employees, ~~AdSS,~~ ~~subcontractors,~~ ~~P~~providers,
467 ~~Agents,~~ and ~~m~~Members that they can report ~~f~~Fraud,
468 ~~w~~Waste, and ~~a~~Abuse without fear of retaliation.
- 469 ~~5f.~~ ~~Take contract action to include, but not be limited to,~~
470 ~~enrollment suspense of provider payments when there is a~~
471 ~~credible allegation of f~~Fraud. ~~Develop and maintain open~~
472 ~~channels of communication with the Division, AHCCCS-~~
473 ~~OIG, subcontractors, Providers, Agents, and Members to~~
474 ~~combat Fraud, Waste, and Abuse at all levels in the~~
475 ~~System.~~

- 476 ~~6.~~ ~~Develop and maintain open channels of communication~~
477 ~~with AdSS to combat fFraud, wWaste, and aAbuse at all~~
478 ~~levels in the system.~~
- 479 ~~7.~~ ~~Develop and maintain open channels of communication~~
480 ~~with AHCCCS_OIG in the prevention and detection of~~
481 ~~fFraud, wWaste, and aAbuse.~~
- 482 ~~8g.~~ ~~Refer mMake referrals~~ to AHCCCS_OIG ~~to investigate~~
483 cases of potential ~~mMember~~ billing in violation of A.R.S. §
484 36-2903.01(~~KL~~) and A.A.C. R9-22-702.
- 485 ~~9h.~~ ~~__~~ Perform all functions required by Section 6032 of the
486 Deficit Reduction Act, including the auditing of ~~AdSS and~~
487 providers to ensure their compliance.
- 488 ~~10i.~~ Ensure the ~~AdSSDivision~~ is in compliance with its federal
489 obligations regarding disclosure of ownership and control,
490 managing employees database exclusion, and checks, and
491 criminal convictions checks, and all other federal
492 requirements related to provider screening and enrollment.

493 SUPPLEMENTAL INFORMATION

494 A. DELIVERABLES

495 Disclosure of Ownership and Control and Disclosure of Information on
496 Persons Convicted of a Crime, including Attestation; Change in Contractor
497 Organizational Structure; Disclosure of Ownership and Control and
498 Disclosure of Information on Persons Convicted of a Crime Information;
499 Plan; Corporate Compliance Plan; Corporate Compliance: Audit Report;
500 Corporate Compliance: External Audit Plan/Schedule; Corporate Compliance:
501 External Auditing Schedule Changes; Corporate Compliance: Exclusions
502 Identified Regarding Persons Convicted of a Crime; Recovered
503 Overpayment; Report Alleged Fraud/, Waste/, Abuse of the AHCCCS
504 Program

505 1. 1. AHCCCS/Office of Inspector General (AHCCCS/OIG) is responsible
506 for reviewing suspected incidents of fraud, waste, and/or abuse. This
507 includes the preliminary investigation of credible allegations of fraud,
508 the preliminary and full investigation of fraud, waste, and/or abuse,
509 and any other matters necessary to comply with the authority or
510 obligations vested in AHCCCS/OIG under State or Federal law, rule,
511 regulations, or policies.

512 2B. AUTHORITY

513 The AHCCCS Office of Inspector General (AHCCCS-OIG) is the division
514 of AHCCCS that has the authority to conduct preliminary and full
515 investigations, relating to fraud, waste, and abuse, involving the
516 programs administered by AHCCCS. Pursuant to 42 CFR 455.12-23
517 and an Intergovernmental Agreement with the Arizona Attorney
518 General's Office, AHCCCS-OIG refers cases of suspected Medicaid
519 fraud to the State Medicaid Fraud Control Unit for appropriate legal
520 action. AHCCCS-OIG also has the authority to make independent
521 referrals to other law enforcement entities.

522 a1. Pursuant to A.R.S. § 36-2918, AHCCCS-OIG has the authority to
523 issue subpoenas and enforce the attendance of witnesses,
524 administer oaths or affirmations, examine witnesses under oath,
525 and take testimony, as the Inspector General deems relevant or
526 material to an investigation, examination, or review undertaken
527 by the AHCCCS-OIG-Office.

528 b2. Pursuant to A.R.S. §§ 36-2918 and 36-2957, AHCCCS-OIG has
529 the authority to impose a civil monetary penalty of up to

530 \$2,000.00 for each item or service claimed, and/or an
531 assessment of an amount not to exceed twice the amount
532 claimed.

533 c3. AHCCCS-OIG has been designated as a Criminal Justice Agency
534 through the Federal Bureau of Investigations (FBI). This
535 designation authorizes AHCCCS-OIG to access the National
536 Crime Information Center (NCIC) database as well as the
537 Arizona Criminal Justice Information System. Additionally, OIG is
538 authorized to receive and share restricted criminal justice
539 information with other federal, state, and local agencies.

540 d4. If AHCCCS-OIG determines that a credible allegation of fraud
541 exists, AHCCCS-OIG may suspend payments to providers
542 pursuant to 42 CFR 455.23. Pursuant to federal law, AHCCCS-
543 OIG shall suspend payments to providers where it determines
544 that a credible allegation of fraud exists as specified in 42 CFR
545 455.23.

546 e. Pursuant to state and federal law, AHCCCS is required in certain
547 circumstances, and in other circumstances it may, act to

548 [suspend, terminate, or exclude any person \(individual or entity\)](#)

549 [from participation in the AHCCCS Program.](#)

550 [3B. The Division has adopted Attachment B of the AHCCCS Operations](#)
551 [Manual, Policy 103. The AdSS can use the sample provided under](#)
552 [Attachment B for guidance on how to present such compliance](#)
553 [activities. The AdSS's written Corporate Compliance Plan must be](#)
554 [submitted to the Division annually as specified in Section F3,](#)
555 [Contractor Chart of Deliverables.](#)

556

Draft Policy for Public Comment