

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

2 REVISION DATE: XX/XX/XXXX

3 REVIEW DATE: 9/6/2023

4 EFFECTIVE DATE: October 1, 2019

5 REFERENCES: A.R.S. §_36-2901, A.R.S. §_36-2918, A.R.S. §_36-2957,
6 A.R.S. §_36-2903.01(~~L~~)(K); A.A.C. R9-22-702; 42 CFR 455.101, 42 CFR
7 438.608, 42 CFR Part 438, Subpart H, 42 CFR 455, 42 CFR 455, Subpart A,
8 42 CFR 455, Subpart B, 42 CFR 455.2, 42 CFR 455.23, 42 CFR 455.101, 42
9 CFR 455.436; ACOM Policy 103, Attachment A; ACOM Policy 103,
10 Attachment A-1; Attestation of: Disclosure of Ownership and Control and
11 Disclosure of Information of Persons Convicted of a Crime; ACOM Policy
12 103, Attachment B; ACOM Policy 103, Attachment C; ACOM Policy 424;
13 ~~DDD~~the Division Medical Policy 950, Credentialing and Recredentialing
14 Processes; Attachment F3, Contractor Chart of Deliverables State Medicaid
15 Director Letters 08-003 and 09-001; Section 6032 of the Deficit Reduction
16 Act.

17 **PURPOSE**

18 This Policy applies to the Division of Developmental Disabilities (~~DDD,~~ the
19 Division). The purpose of this Policy is to outline the corporate compliance

20 requirements including the reporting responsibilities for alleged ~~f~~Fraud,
21 ~~w~~Waste, ~~and/or a~~Abuse involving Division program funds regardless of the
22 source. This Policy also addresses additional responsibilities regarding
23 regulatory compliance with ~~broader~~ program integrity, regulatory and
24 programmatic requirements.

25 ~~AHCCCS/Office of Inspector General (AHCCCS/OIG) is responsible for~~
26 ~~reviewing suspected incidents of fraud, waste, and/or abuse. This includes~~
27 ~~the preliminary investigation of credible allegations of fraud, the preliminary~~
28 ~~and full investigation of fraud, waste, and/or abuse, and any other matters~~
29 ~~necessary to comply with the authority or obligations vested in AHCCCS/OIG~~
30 ~~under State or Federal law, rule, regulations, or policies.~~

31 **DEFINITIONS**

32 B1. ~~“Abuse of the Program”~~ ~~-means~~ pProvider practices that are
33 inconsistent with sound fiscal, business, or medical practices,
34 and result in an unnecessary cost to the Division program, or in
35 reimbursement for services that are not medically necessary or
36 that fail to meet professionally recognized standards for health
37 care. ~~It also~~ includes beneficiary practices that result in

38 unnecessary cost to the Division Program as outlined in 42 CFR
39 455.2.

40 A2. "Administrative Services Subcontract" means Aan agreement
41 that delegates any of the requirements of the Contract with
42 AHCCCS, including, but not limited to the following:

43 1a. Claims processing, including pharmacy claims

44 2b. Pharmacy Benefit Manager (PBM)

45 3c. Dental Benefit Manager

46 2d. Credentialing, including those for only primary source
47 verification (i.e. through Credential -Verification
48 Organization [CVO])

49 5e. Medicaid Accountable Care Organization (ACO)

50 6f. Service Level Agreements with any Division or Subsidiary
51 of a corporate parent owner

52 7g. CHP and ~~DD~~the Division Subcontracted Health Plan

53 i. A person, (individual or entity,) who holds an

54 Administrative Services Subcontract is an

55 Aadministrative Sservices Ssubcontractor.

- 56 ii. Providers are not Administrative Services
- 57 Subcontractors.
- 58 ~~3. Management Service Agreements~~
- 59 ~~4. Service Level Agreements with the Division~~
- 60 ~~5. DDD acute care subcontractors. Providers are not~~
- 61 ~~Administrative Services Subcontractors.~~
- 62 €3. "Agent" means Any person who has been delegated the
- 63 authority to obligate or act on behalf of a Provider, as specified
- 64 in [42 CFR 455.101].
- 65 4. "Contract" means the Division's contract with AHCCCS.
- 66 ~~Đ5. "Corporate Compliance Officer" —The on-site management~~
- 67 ~~official designated by the Division to implement, oversee and~~
- 68 ~~administer the Division's compliance program. The Corporate~~
- 69 ~~Compliance Officer must be available to all of the Division's~~
- 70 ~~employees, and possess the authority to access and provide~~
- 71 ~~records, and make independent referrals to the AHCCCS Office of~~
- 72 ~~Inspector General (AHCCCS-OIG). 42 CFR 438.608. means An~~
- 73 ~~individual located in Arizona and who implements and oversees~~
- 74 ~~the Contractor's Compliance Program. The Corporate Compliance~~

75 Officer shall be a management official, available to all Division
76 employees, with designated and recognized authority to access
77 records and make independent referrals to the AHCCCS Office of
78 the Inspector General. The Corporate Compliance Officer shall
79 not hold any other position other than the Contract Compliance
80 Officer position. The Corporate Compliance Officer shall be an
81 onsite management official who reports directly to the
82 Contractor's Chief Executive Officer (CEO) and Board of
83 Directors, if applicable. The Corporate Compliance Officer shall
84 be responsible for developing and implementing policies,
85 procedures and practices designed to ensure compliance with the
86 requirements of the Contract as specified in 42 CFR 438.608.

87 ~~E6.~~ "Credible Allegation of Fraud" –Ameans the State Medicaid
88 agency has reviewed all allegations, facts, and evidence carefully
89 and acts judiciously on a case-by-case basis- as specified in 42
90 CFR 455.2.

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

- 94 ~~1. Fraud hotline complaints~~
- 95 ~~2. Claims data mining~~
- 96 ~~3. Patterns identified through provider audits, civil false claims~~
97 ~~cases, and law enforcement investigations. Allegations are~~
98 ~~considered to be credible when they have indicia of reliability~~
99 ~~and the State Medicaid agency has reviewed all allegations, facts~~
100 ~~and evidence carefully and acts judiciously on a case-by-case~~
101 ~~basis. 42 CFR 455.2.~~
- 102 ~~F7.~~ **F7.** "Fraud" ~~-means A~~**a**n intentional deception or misrepresentation
103 made by a person with the knowledge that the deception could
104 result in some unauthorized benefit to himself or some other
105 person. ~~It includes~~**esing** any act that constitutes fraud under
106 applicable State or Federal law, as defined in 42 CFR 455.2.
- 107 ~~G8.~~ **G8.** "Managing Employee" ~~-means A~~**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 ~~H10. "Provider" means- Any person or entity that contracts with the~~
115 ~~Division for the provision of covered services to members~~
116 ~~according to the provisions A.R.S. §36-2901 or any~~
117 ~~subcontractor of a provider delivering services pursuant to~~
118 ~~A.R.S. §36-2901. an agency or individual operating under a~~
119 ~~contract or service agreement with the Department to provide~~
120 ~~services to Division Members.~~

121 ~~I11. "Waste" -means Over-utilization or inappropriate utilization of~~
122 ~~services, misuse of resources, or practices that result in~~
123 ~~unnecessary costs to the Medicaid Program.~~

124 **POLICY**

125 ~~**A. AUTHORITY**~~

126 ~~The AHCCCS Office of Inspector General (AHCCCS-OIG) is the division~~
127 ~~of AHCCCS that has the authority to conduct preliminary and full~~
128 ~~investigations relating to fraud, waste, and abuse involving the~~
129 ~~programs administered by AHCCCS. Pursuant to 42 CFR 455, Subpart~~
130 ~~A, and an Intergovernmental Agreement with the Arizona Attorney~~

131 ~~General's Office, AHCCCS-OIG refers cases of suspected Medicaid~~
132 ~~fraud to the State Medicaid Fraud Control Unit for appropriate legal~~
133 ~~action. AHCCCS-OIG also has the authority to make independent~~
134 ~~referrals to other law enforcement entities.~~

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

141 ~~2. Pursuant to A.R.S. §§36-2918 and 36-2957, AHCCCS-OIG has~~
142 ~~the authority to impose a civil monetary penalty of up to~~
143 ~~\$2,000.00 for each item or service claimed, and/or an~~
144 ~~assessment of an amount not to exceed twice the amount~~
145 ~~claimed.~~

146 ~~3. AHCCCS-OIG has been designated as a Criminal Justice Agency~~
147 ~~through the Federal Bureau of Investigations (FBI). This~~
148 ~~designation authorizes AHCCCS-OIG to access the National~~
149 ~~Crime Information Center (NCIC) data base as well as the~~

150 ~~Arizona Criminal Justice Information System. Additionally,~~
151 ~~AHCCCS-OIG is authorized to receive and share restricted~~
152 ~~criminal justice information with other federal, state and local~~
153 ~~agencies.~~

154 ~~4. If AHCCCS-OIG determines that a credible allegation of fraud~~
155 ~~exists, AHCCCSOIG may suspend payments to Providers~~
156 ~~pursuant to 42 CFR 455.23.~~

157 **BA. DIVISION RESPONSIBILITIES** The Division ~~must~~shall:

158 1. Have in place internal controls, policies, and procedures to:
159 a. ~~p~~Prevent, detect, and report credible ~~f~~Fraud, ~~w~~Waste, and ~~a~~Abuse
160 activities to AHCCCS-OIG; and

161 ~~2b. Have in place internal controls, including policies and~~
162 ~~procedures, to i~~Implement a suspension, termination, or
163 ~~exclusion of a provider from the Contractor's network of~~
164 ~~providers.~~

165 ~~2-3.~~ Have a Corporate Compliance Program that complies with the
166 Division's contract with AHCCCS, and all state and federal laws,
167 including 42 CFR Part 438, Subpart H. ~~The Corporate Compliance~~
168 ~~Program shall be~~ and is developed under~~in~~ accordance with the

- 169 Contractor's corporate compliance plan ~~which shall must~~
- 170 ~~including~~ ~~but not be limited to:~~
- 171 a. Program integrity goals and objectives~~;~~
- 172 b. Descriptions of internal and external controls employed by
- 173 the Division to ensure compliance with State and Federal
- 174 law~~;~~ and
- 175 c. The Division's corporate compliance activities, ~~and,~~
- 176 ~~d. The roles and responsibilities of the Division staff as they~~
- 177 ~~relate to the Corporate Compliance Program. The Division~~
- 178 ~~may use the sample Corporate Compliance Plan provided~~
- 179 ~~as outlined in ACOM 103, Attachment B, for guidance on~~
- 180 ~~how to present such compliance activities.~~
- 181 43. ~~Submit~~ ~~The~~ the Division's written Corporate Compliance Plan ~~must~~
- 182 ~~be submitted~~ to AHCCCS-OIG annually as specified in the
- 183 Contract.
- 184 ~~3.~~ ~~Ensure the Corporate Compliance Plan includes~~ a program
- 185 ~~integrity audit/review program designed to identify fraud, waste~~
- 186 ~~and/or abuse. The program will~~ ensure that the Division tracks
- 187 ~~inadequate billing practices and identifies emerging trends in an~~

- 188 ~~effort to provide technical assistance to contracted Providers and~~
189 ~~avoid future occurrences of problematic billing.~~
- 190 ~~4. The Division must provide the external auditing schedule and~~
191 ~~executive summary of all individual Provider audits to AHCCCS-~~
192 ~~OIG as specified in Contract.~~
- 193 ~~46. Submit to AHCCCS-OIG an external audit plan/schedule and~~
194 ~~audit report of all individual provider audits.~~
- 195 ~~a. The external audit plan/schedule shall be submitted using ACOM~~
196 ~~103 Attachment C.~~
- 197 ~~b. In Each audit report, the Division shall include ~~at a~~~~
198 ~~minimum:~~
- 199 i. An objective, scope, estimated dollars at risk,
200 current audit results, key audit findings,
201 recommendations, corrective actions required, and
202 conclusion.
- 203 ii. Copies of the report for each audit scheduled ~~and~~
204 completed; and
- 205 iii. If an audit was not ~~timely-completed~~ timely, the
206 ~~audit report shall include a reason why~~ the audit was

207 ~~not completed~~ and a date when the audit will be
208 ~~completed in the future.~~

209 ~~eb.~~ ~~Contractors with one line of business are required to~~ The
210 Division shall submit a minimum of 20 audits
211 semiannually.

212 ~~c.~~ ~~Contractors with two lines of business are required to~~ shall
213 submit a minimum of 20 audits for the first line of business
214 and 15 audits for the second line of business.

215 ~~d.~~ ~~Contractors with three or more lines of business are~~
216 required to submit a minimum of 20 audits for the first line
217 of business, 15 audits for the second line of business, and
218 10 audits for the third line and subsequent lines of
219 business, and

220 ~~ec.~~ The Division shall submit ~~F~~ follow-up audits should be
221 submitted on a separate ACOM 103 Attachment C and ~~do~~
222 not count towards the required minimum audit numbers as
223 stated above in this subsection.

224 ~~5.~~ ~~Obtain and disclose the information regarding Ownership and~~
225 ~~Control, and Disclosure of Information on Persons Convicted of~~

226 ~~Crimes in accordance with 42 CFR Part 455, Subpart B, 42 CFR~~
227 ~~455.436, State Medicaid Director Letters 08-003 and 09-001,~~
228 ~~and the contractual provisions contained in the contract. The~~
229 ~~Division must also obtain and disclose the same information~~
230 ~~regarding its Administrative Services Subcontractors. The results~~
231 ~~of the Disclosure of Ownership and Control and the Disclosure of~~
232 ~~Information on Persons Convicted of Crimes shall be held by the~~
233 ~~Division. The Division and its Administrative Services~~
234 ~~Subcontractors shall disclose to AHCCCS-OIG the identity of any~~
235 ~~person excluded from participation in federal healthcare~~
236 ~~programs.~~

237 ~~6. Submit annually, Attachment A, Attestation of: Disclosure of~~
238 ~~Ownership and Control and Disclosure of Information of Persons~~
239 ~~Convicted of a Crime, as specified in Contract, attesting that the~~
240 ~~information has been obtained and verified by the Division, or~~
241 ~~upon request, provide this information to AHCCCSOIG.~~

242 65. ~~Submit complete, accurate, and current disclosure information,~~
243 ~~as described in 42 CFR Part 455, Subpart B and as specified in~~
244 ~~Contract, upon execution of a Contract with the State and upon~~

245 renewal of extension of the Contract utilizing Attachment A and
246 Attachment A-1.

247 a. The Contractor shall ensure review of its response by its
248 legal counsel prior to submitting disclosure information.

249 b. As specified in Contract, ~~the Contractor is required shall~~
250 ~~to submit all information electronically, without .~~~~Neany~~
251 ~~exceptions will be made to have materials submitted by~~
252 ~~other methods.~~

253 c. AHCCCS/Office of Administrative Legal Services (OALS)
254 and AHCCCS-OIG ~~will reviews~~ the Contractor's submitted
255 disclosure information for completeness and AHCCCS-OIG
256 ~~will screens~~ and ~~confirms~~ that persons listed in the
257 submitted information are not excluded from participation
258 in the Medicaid program.

259 ~~76.~~ Complete all information as specified in ACOM 103 Attachment A
260 and Attachment A-1 ~~is required to enable AHCCCS-OIG to~~
261 confirm that persons with an ownership or control interest in the
262 ~~a Contractor Division~~ are not excluded from participation in the
263 Medicaid program. ~~All required information shall be provided as~~

264 ~~specified in Attachment A and Attachment A-1. Do not leave any~~
265 ~~portion blank. If the Contractor believes that information is not~~
266 ~~applicable, the Contractor shall indicate "Not Applicable" on the~~
267 ~~form and in a footnote include the legal and factual basis for its~~
268 ~~determination.~~

269 ~~a. _____ The Contractor~~Division ~~shall also obtain and disclose the~~
270 ~~same information regarding the ownership and control~~
271 ~~its~~interest of administrative services subcontractors.

272 ~~b. _____ The~~ Division shall retain the results of the disclosure of
273 ~~ownership and control and the disclosure of information on~~
274 ~~persons convicted of crimes shall be retained by the~~
275 ~~Contractor and reported to AHCCCS-OIG.~~

276 ~~c. _____ The~~ Division shall complete and submit an attestation as
277 ~~specified in ACOM 103 Attachment A along with the~~
278 ~~disclosure information described in this subsection~~above
279 ~~shall be accompanied by an attestation (as specified in~~
280 ~~Attachment A) and that the information provided is~~
281 ~~accurate, complete, and truthful.~~

- 282 d. ~~Consistent with 42 CFR 457.990 and 42 CFR 438.606, the~~
283 ~~attestation shall be signed by the entity's~~ Division's
284 Assistant Director (Chief Executive Officer, Chief Financial
285 Officer, or an individual who reports directly to the Chief
286 Executive Officer) or Chief Financial Officer with delegated
287 authority to sign for the Chief Executive Officer or Chief
288 Financial Officer shall sign the attestation.
- 289 e. The Division's ~~f~~Failure to provide all complete and accurate
290 disclosures and an attestation signed by an individual with
291 appropriate authority may result in the withholding of
292 payments under the Contract and/or the recovery,
293 recoupment, and/or offset of any monies remitted without
294 limitation.
- 295 ~~7. Comply with Section 6032 of the Deficit Reduction Act.~~
- 296 ~~87.~~ Disclose, and require its administrative services subcontractors
297 to disclose, to AHCCCS/OIG the identity of any employee or
298 person with ownership or control interest who is excluded from
299 participation in any federal healthcare programs.

- 300 ~~8. Ensure all employees, subcontracted Providers and members~~
301 ~~receive adequate training and ongoing education on the~~
302 ~~following aspects of the Federal False Claims Act provisions:~~
303 ~~a. The administrative remedies for false claims and~~
304 ~~statements~~
305 ~~b. Any State laws relating to civil or criminal penalties for~~
306 ~~false claims and statements~~
307 ~~c. The whistleblower protections under such laws~~
308 ~~98. Comply with the requirements of Section 6032 Deficit Reduction~~
309 ~~Act of 2005 (DRA) [Section 1902(a)(68) of the Social Security~~
310 ~~Act, 42 CFR 457.1285, and 42 CFR 438.608(a)(6)].~~
311 ~~9. As a condition for receiving payments, the Contractor shall~~
312 ~~establish written policies, and shall ensure adequate training and~~
313 ~~ongoing education for, all of its employees (including~~
314 ~~management), Members, and of any subcontractors and/or~~
315 ~~aAgents of the Contractor~~ Division regarding the following:
316 a. Detailed information about the Federal False Claims Act;
317 b. The administrative remedies for false claims and
318 statements;

- 319 c. Any state laws relating to civil or criminal liability or
320 penalties for false claims and statements~~7L~~; and
321 d. The whistleblower protections under such laws.
- 322 910. Ensure adequate training addressing ~~f~~Fraud, ~~w~~Waste, and/or
323 ~~a~~Abuse prevention, recognition and reporting, and encourage
324 Division employees, ~~contracted Providers, and m~~Members, and
325 any subcontractors to report ~~f~~Fraud, ~~w~~Waste, and/or ~~a~~Abuse
326 without fear of retaliation.
- 327 ~~10~~. ~~Ensure an internal reporting process that is well defined and~~
328 ~~made known to all employees.~~
- 329 11. Ensure an internal reporting process relating to the reporting of
330 Fraud, Waste, or Abuse that is well-defined is made known to all
331 Division employees, Members, and any subcontractors.
- 332 ~~11~~12. Conduct research and proactively identify changes for program
333 integrity that are relevant to their ~~corporate compliance~~
334 program, and periodically review and revise the ~~f~~Fraud, ~~w~~Waste,
335 and/or ~~a~~Abuse policies or guidance from the ~~Division-AHCCCS~~ to
336 reflect such changes due to rules, regulations, or new initiatives.

337 ~~12~~13. Regularly attend and participate in AHCCCS-OIG work group
338 meetings.

339 ~~13~~14. Respond promptly and not later than 30 calendar days to
340 requests for information from AHCCCS-OIG.

341 ~~14~~15. Cooperate with AHCCCS-OIG regarding any allegation of
342 ~~m~~Member billing in violation of A.R.S. § 36-2903.01(L)(K) and
343 A.A.C. R9-22-702.

344 ~~15~~16. ~~The Division must h~~Have a method of verifying with ~~Division~~
345 ~~m~~Members that they received the services billed by Providers to
346 identify potential service/ or claim ~~f~~Fraud.

347 17. Perform periodic audits through Member contact and report the
348 results of these audits as specified in ACOM Policy 424.

349 ~~16~~18. ~~In addition to the specific requirements stated above, it is~~
350 ~~required that the Division be~~ Maintain in compliance with all
351 State and Federal laws and regulations related to ~~f~~Fraud,
352 ~~w~~Waste, ~~and/or a~~Abuse even if not directly ~~detailed-specified~~ in
353 this Policy.

354 **CB. REPORTING RESPONSIBILITIES**

355 1. Fraud, Waste, and Abuse

- 356 a. If the Division discovers, or is made aware, that an
357 incident of alleged ~~f~~Fraud, ~~w~~Waste, ~~and/or a~~Abuse has
358 occurred ~~or is occurring~~, the Division shall ~~immediately~~
359 report the incident to AHCCCS-OIG ~~within ten business~~
360 ~~days, by completing and submitting the Report Suspected~~
361 ~~Fraud or Abuse of the Program form available on the~~
362 ~~AHCCCS-OIG webpage~~.as specified in Contract and by
363 completing and submitting the "Report Member, Provider,
364 or Contractor Suspected Fraud or Abuse of the Program"
365 form available on the AHCCCS-OIG webpage, ~~and attach~~.
366 ~~A~~all pertinent documentation that ~~w~~could assist AHCCCS in
367 its investigation ~~shall be attached to the form,;~~
368 b. If the Division, ~~A~~administrative ~~S~~service ~~S~~subcontractor, or
369 Provider identifies an incident ~~which~~that warrants self-
370 disclosure, the Division, administrative service
371 subcontractor, or Provider shall report incident ~~must shall~~
372 ~~be reported~~ within ten ~~business-calendar~~ days to AHCCCS-
373 OIG by completing and submitting the Provider Self-
374 Disclosure form available on the AHCCCS-OIG webpage.

- 375 ~~and attach~~ All pertinent documentation that ~~w~~could assist
- 376 AHCCCS in its investigation ~~shall be attached to the form;~~
- 377 c. ~~Once~~When the Division ~~or its subcontractors~~ ~~has~~ referred a
- 378 case of alleged ~~f~~Fraud, ~~w~~Waste, ~~and/or a~~Abuse to
- 379 AHCCCS-OIG, the Division or its subcontractors ~~must~~ shall
- 380 take no action to recoup, ~~or otherwise offset any suspected~~
- 381 ~~overpayments offset,~~ or act in any manner inconsistent
- 382 with AHCCCS-OIG's authority to conduct a full
- 383 investigation, obtain a comprehensive recovery of any
- 384 suspected overpayments, ~~and/or~~ impose a civil monetary
- 385 penalty;
- 386 d. The Division shall conduct preliminary review work
- 387 regarding a referral at the request of AHCCCS-OIG in order
- 388 to expand the allegation and obtain documentation to
- 389 support the investigation being conducted by AHCCCS-
- 390 OIG; ~~In the event AHCCCS-OIG feels it would be beneficial~~
- 391 ~~to seek additional and/or clarifying details regarding a~~
- 392 ~~referral from the Division, AHCCCS-OIG may first choose~~
- 393 ~~to request preliminary review work from the Division in~~

- 394 ~~order to expand the allegation(s) and to obtain further~~
395 ~~documentation that will support an investigation by~~
396 ~~AHCCCS-OIG,~~
- 397 e. The Division shall provide documentation requested by
398 AHCCCS-OIG within 30 calendar days of the request.; ~~If~~
399 ~~AHCCCS-OIG chooses to seek additional and/or clarifying~~
400 ~~details regarding a referral from the Division, the Division~~
401 ~~will have 30 business days or more to provide the~~
402 ~~requested documentation, or provide an update as to the~~
403 ~~status of completing such request,~~
- 404 ~~f. Once AHCCCS-OIG receives a referral, it will conduct a~~
405 ~~preliminary investigation to determine if there is sufficient~~
406 ~~basis to warrant a full investigation,~~
- 407 g-f. The Division may receive notification from AHCCCS-OIG
408 ~~will~~shall ~~notify the Division~~ when the investigation
409 concludes in a manner that safeguards the integrity and
410 confidentiality of the investigation~~;~~
- 411 hg. The Division shall ensure proper disposition of any matters
412 returned by AHCCCS-OIG as non-Medicaid~~non-medicaid~~

413 Fraud, Waste, or Abuse in accordance with any applicable
414 laws and contracts; ~~. If it is determined by AHCCCS-OIG~~
415 ~~not to be that the matter does not represent a fraud,~~
416 ~~waste, and/or abuse case, AHCCCS-OIG will return the~~
417 ~~matter to the Division for disposition in accordance with~~
418 ~~any applicable laws and/or contracts,~~
419 ~~i~~.h. The Division ~~agrees~~ shall adhere to the
420 requirement ~~requirement~~ that AHCCCS-OIG has the sole
421 authority to handle and dispose of any matter involving
422 ~~f~~Fraud, ~~w~~Waste or ~~a~~Abuse. ~~The Division and~~ assigns to
423 AHCCCS the right to recoup any amounts overpaid to a
424 Provider as a result of Fraud, Waste and/or abuse. ~~If~~
425 ~~the Division receives anything of value that could be~~
426 ~~construed to represent the repayment of any amount~~
427 ~~expended due to fraud, waste or abuse,~~
428 i. ~~T~~he Division ~~must~~ shall forward anything of value that
429 could be construed to represent the repayment of any
430 amount expended due to fFraud, wWaste or aAbuse that is
431 recovered ~~that recovery~~ to AHCCCS-OIG within 30 days of

432 its receipt. ~~As specified in the AHCCCS Minimum~~
433 ~~Subcontractor Provisions (MSPs), the above-requirements~~
434 ~~outlined in the section shall apply to any actions~~
435 ~~undertaken by the Division on behalf of a Contractor by a~~
436 ~~subcontractor.~~

437 ~~j.~~ i. The Division ~~shall~~ relinquishes ~~each, every, any, and~~ all
438 claims to any monies received by AHCCCS as a result of
439 any program integrity efforts, ~~which include, but are not~~
440 ~~limited to including:~~

- 441 i. ~~Recovery of an overpayment;~~
- 442 ii. ~~Civil monetary penalties and/or assessments;~~
- 443 iii. ~~Civil settlements and/or judgments;~~
- 444 iv. ~~Criminal restitution;~~
- 445 v. ~~Collection by AHCCCS or indirectly on AHCCCS'~~
446 ~~behalf by the Office of the Attorney General;~~ ~~and/or~~
- 447 vi. ~~Other, as applicable.~~

448 ~~jk.~~ The Division ~~must-shall also~~ report to AHCCCS, as specified
449 in Contract, and ~~DD~~ ~~the Division~~ Medical Policy 950, any
450 credentialing denials including, ~~but not limited to:~~

- 451 i. ~~These~~ at ~~which~~ are the result of licensure issues;
452 ii. Quality of care concerns;
453 iii. Excluded, ~~terminated, or otherwise sanctioned~~
454 providers~~;~~ or
455 iv. Alleged ~~f~~Fraud, ~~w~~Waste, or ~~a~~Abuse.

456 **DC. THE DIVISION'S RESPONSIBILITIES RELATED TO FRAUD,**
457 **WASTE AND ABUSE**

458 1. The Division shall:

- 459 ~~1a.~~ Process all referrals of allegations of suspected ~~m~~Member
460 and provider ~~f~~Fraud, ~~w~~Waste, or ~~a~~Abuse.
461 ~~2b.~~ Oversee, monitor, ~~and be the focal point for the Division's~~
462 ~~compliance program, with the authority to~~ review all
463 documents and functions as they relate to ~~f~~Fraud, ~~w~~Waste,
464 and ~~a~~Abuse prevention, detection, ~~and reporting.~~
465 ~~3c.~~ Maintain and monitor a tracking system of ~~f~~Fraud, ~~w~~Waste,
466 and ~~a~~Abuse referrals.
467 ~~4d.~~ Ensure all Division employees, ~~S~~Subcontractors, Providers,
468 ~~a~~Agents, ~~and m~~Members receive adequate training and

- 469 information regarding fFraud, wWaste, and aAbuse
470 prevention, identification and reporting.
- 471 5e. Assure Division employees, Subcontractors, Providers,
472 aAgents, and mMembers that they can report fFraud,
473 wWaste, and aAbuse without fear of retaliation.
- 474 5f. Develop and maintain open channels of communication
475 with AHCCCS-OIG, Subcontractors, Providers, aAgents,
476 and Members to combat Fraud, Waste, and Aabuse at
477 all levels in the System.
- 478 6g. Develop and maintain open channels of communication
479 with DES-OIG in the prevention and detection of Fraud,
480 Waste, and Aabuse.
- 481 7h. Make referrals to AHCCCS-OIG to investigate cases of
482 potential mMember billing in violation of A.R.S. § 36-
483 2903.01(~~L~~)(K) and A.A.C. R9-22-702.
- 484 8i. Perform all functions required by Section 6032 of the
485 Deficit Reduction Act, including the auditing of Providers to
486 ensure their compliance.

487 **9j.** Ensure that the Division is in compliance with its federal
488 obligations with regard to Disclosure of Ownership and
489 Control, Managing Employees Database Exclusion, and
490 Checks, and Criminal Convictions Checks, and all other
491 federal requirements related to Provider Screening and
492 Enrollment.

493 **SUPPLEMENTAL INFORMATION**

494 1. AHCCCS/Office of Inspector General (AHCCCS/OIG) is responsible for
495 reviewing suspected incidents of fraud, waste, and/or abuse. This
496 includes the preliminary investigation of credible allegations of fraud,
497 the preliminary and full investigation of fraud, waste, and/or abuse,
498 and any other matters necessary to comply with the authority or
499 obligations vested in AHCCCS/OIG under State or Federal law, rule,
500 regulations, or policies.

501 **A2. AUTHORITY**

502 The AHCCCS Office of Inspector General (AHCCCS-OIG) is the division
503 of AHCCCS that has the authority to conduct preliminary and full
504 investigations relating to ~~f~~Fraud, ~~w~~Waste, and ~~a~~Abuse involving the
505 programs administered by AHCCCS. Pursuant to 42 CFR 455, Subpart

506 A, and an Intergovernmental Agreement with the Arizona Attorney
507 General's Office, AHCCCS-OIG refers cases of suspected Medicaid
508 fraud to the State Medicaid Fraud Control Unit for appropriate legal
509 action. AHCCCS-OIG also has the authority to make independent
510 referrals to other law enforcement entities.

511 ~~1a.~~ Pursuant to A.R.S. § 36-2918, AHCCCS-OIG has the authority to
512 issue subpoena and enforce the attendance of witnesses,
513 administer oaths or affirmations, examine witnesses under oath,
514 and take testimony as the Inspector General deems relevant or
515 material to an investigation, examination, or review undertaken
516 by the ~~Office:~~AHCCCS-OIG.

517 ~~2b.~~ Pursuant to A.R.S. §§ 36-2918 and 36-2957, AHCCCS-OIG has
518 the authority to impose a civil monetary penalty of up to
519 \$2,000.00 for each item or service claimed, and/or an
520 assessment of an amount not to exceed twice the amount
521 claimed.

522 ~~3c.~~ AHCCCS-OIG has been designated as a Criminal Justice Agency
523 through the Federal Bureau of Investigations (FBI). This
524 designation authorizes AHCCCS-OIG to access the National

525 Crime Information Center (NCIC) data base as well as the
526 Arizona Criminal Justice Information System. Additionally,
527 ~~AHCCCS~~-OIG is authorized to receive and share restricted
528 criminal justice information with other federal, state and local
529 agencies.

530 ~~4d. If AHCCCS-OIG determines that a credible allegation of fraud~~
531 ~~exists, AHCCCSOIG may suspend payments to Providers~~
532 ~~pursuant to 42 CFR 455.23. Pursuant to federal law, AHCCCS-~~
533 ~~OIG shall suspend payments to providers where it determines~~
534 ~~that a credible allegation of fraud exists as specified in 42 CFR~~
535 ~~455.23.~~

536 ~~5e. Pursuant to state and federal law, AHCCCS is required in certain~~
537 ~~circumstances, and in other circumstances it may, act to~~
538 ~~suspend, terminate, or exclude any person (individual or entity)~~
539 ~~from participation in the AHCCCS Program.~~