

## Fraud, Waste, and Abuse Referral Guidelines for Use by Managed Care Plans

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These guidelines should be used by managed care organizations (MCOs), prepaid inpatient health plans (PIHPs), and other managed care plans (MCPs) for promptly referring investigations of fraud, waste, or abuse to the program integrity unit of the State Medicaid agency (SMA) or other agency as required by the plan's contract with the State. These guidelines are based on the Centers for Medicare & Medicaid Services (CMS) requirements and best practices for referrals, available at <http://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/FraudAbuseforProfs/MedicaidGuidance.html> on the CMS website.

The following information should be included when reporting a suspected case of fraud, waste, or abuse.

### **1. Individual Who Reported the Alleged Fraud, Waste, or Abuse**

The referral should include the full name and all contact phone numbers and e-mail addresses of the person who reported the fraud, waste, or abuse to the MCP. If the person who reported the fraud, waste, or abuse is employed by or affiliated with an organization, document the name of the organization and its full address, including city, state, and zip code. Be advised that some persons may wish to report without giving contact information, but this should not preclude the issue from being investigated.

### **2. Managed Care Plan Contact Information**

Include contact information for persons at the MCP who are familiar with the referral and who have practical knowledge of the workings of the relevant programs:

- Name of the organization;
- Type of managed care contract;
- Full address; and
- Full name and contact information for individual within the organization, including phone numbers and e-mail address.



### 3. Details of the Alleged Fraud, Waste, or Abuse

CMS recommends providing in the referral all details that are available related to the fraud, waste, and abuse allegation, including the following information.

#### Identifying Information

Identifying information for suspects and witnesses should include:

- Provider information: Include full name of individual or organization, provider type, full address, phone numbers, e-mail address, Medicaid provider number, National Provider Identifier, and license number;
- Beneficiary information: Include name, full address, phone numbers, e-mail address, and Medicaid number; and
- Other parties involved in the suspected fraud, waste, or abuse and witnesses: Include identifying information for all persons who witnessed the suspected fraud, waste, or abuse, including name, organization name (if any), address, and contact information.

#### Managed Care Plan Actions

Documentation about actions taken by the MCP should include:

- The date the alleged fraud, waste, or abuse was reported to the MCP. If the MCP developed the information on its own, provide the date when the MCP initiated an investigation of the provider;
- How the alleged fraud, waste, or abuse was detected;
- Whether an investigation was conducted and, if so, by whom;
- A description of and results of any investigation conducted;
- The date range of the suspected fraud, waste, or abuse;
- How the date range was determined;
- The amount paid to the provider or on behalf of the beneficiary during the past three years or during the period of the alleged misconduct, whichever is greater;
- The sample/exposed dollar amount (if available);
- The amount of money recovered, if any;
- A list of all persons who were interviewed;
- The results of interviews conducted;
- A list of medical records reviewed; and
- A statement of the scope and results of the reviews.

#### Factual Explanation of the Alleged Fraud, Waste, or Abuse

Include a complete description of the scheme as understood by the MCP, and provide examples of specific claims that are believed to be fraudulent. The factual explanation should include:

- Specific Medicaid statutes, rules, or policies allegedly violated;
- Copies of supporting documentation related to the fraud allegation, such as claims, medical records, and correspondence; and
- The names and contact information for any agencies that have been notified of the alleged fraud, waste, or abuse.

#### Suspect's History of Compliance, Education, Training, and Communication with the Managed Care Plan

A suspect's previous compliance history and the types of education, training, or other communications that have occurred may be relevant for establishing the suspect's knowledge of the requirements of the law. The referral should include:

- Any history (e.g., previous complaints, lawsuits, etc.) with the provider/beneficiary related to the fraud, waste, and abuse issue being referred;
- Any previous educational efforts with the provider/beneficiary related to the fraud, waste, and abuse allegation being referred or related to any other fraud, waste, and abuse issue;
- If applicable, document any manuals, bulletins, or other educational materials relevant to the subject of this referral that have been supplied to the suspected violator; and
- All other communications, if any, between the MCP and the provider/beneficiary regarding the conduct at issue. Disclose any MCP policies, guidance, or informal communications that might be construed as making the conduct at issue permissible in the eyes of the MCP or Medicaid.

This document was current at the time it was published or uploaded onto the web. Medicaid and Medicare policies change frequently so links to the source documents have been provided within the document for your reference.

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