

SUBJECT	Deficit Reduction Act of 2005-Fraud Abuse		POLICY NO	04-039
EFFECTIVE	REVIEWED	REVISED DATES	06-27-11, 10-24-11, 12-13-11	
06-28-10	10-03-16			
REFERENCED POLICIES	03-004 Nepotism 03-006 Credential Verification Background Screening 03-036 Staff Competencies 03-070 Conflict of Interest/Arms Length Transactions 04-016 Finance			
RELATED PROCEDURES				
APPLICABLE TARC FORMS	03-036.002 TARC Code of Ethics 04-038.001 Acknowledgement Form (Employee) 01-011.G01(08-001.G01) Board-Foundation Board Policy Disclosure-Review			

POLICY: *TARC will comply with all federal, state and local laws to detect and prevent fraud, waste and abuse regarding payments to TARC from federal and/or state healthcare programs and to provide protections for those who report actual or suspected wrongdoing. This policy applies to the Board of Directors, employees, volunteers, independent contractors/consultants and agents of persons supported associated with TARC. The purpose of this policy is to comply with the Federal Deficit Reduction Act of 2005.*

GUIDELINES:

I. Compliance Program & Code of Conduct

1. The [03-036.002 TARC Code of Ethics](#) sets forth the values and standards of conduct which govern the behavior of everyone associated with TARC. All TARC employees and volunteers receive initial training on the *Code of Ethics* during New Staff Orientation. The *Code of Ethics* is reviewed with all employees during the annual performance evaluation process and all signed copies of the *Code of Ethics* are maintained in the employees' personnel files.
2. Compliance policies and procedures are set forth in detail in the TARC Compliance Plan and are also available on the TARC computer network system and in the TARC Employee Handbook, which is distributed to all employees annually.

II. Federal False Claims Act

1. The Federal False Claims Act imposes civil liability on any person who:
 - Knowingly files a false or fraudulent claim for payments to Medicare, Medicaid or other federally funded health care programs
 - Knowingly uses a false record or statement to obtain payment on a false or fraudulent claim from Medicare, Medicaid or other federally funded health care program
 - Conspires to defraud Medicare, Medicaid or other federally funded health care program by attempting to have a false or fraudulent claim paid
 - Falsely certifies the type or amount of property to be used by the Government
 - Certifies receipt of property on a document without completely knowing the information is true
 - Knowingly buys Government property from an unauthorized officer of the Government
 - Knowingly makes, uses, or causes to be made or used a false record to avoid, or decrease an obligation to pay or transmit property to the Government.

III. Detecting and Preventing Fraud

1. TARC expects its employees to do everything they can to prevent and detect false claims and potentially fraudulent behavior. TARC provides the following measures to accomplish this:
 - Provide employee and volunteer training
 - Investigate reports of potential violations from employees in a timely manner

- Investigate complaints regarding potential violations from persons supported, family members and guardians, and visitors in a timely manner
- Provide anonymous and confidential reporting mechanisms
- Protect employees who report potential fraud and/or abuse
- Perform background checks and screen all new employees upon hire and annually thereafter
- Perform internal risk assessments and monitor higher risk areas
- Perform internal and external audits
- Correspond with state and federal agencies regarding potential concerns

IV. Reporting Non Compliance

1. Reporting actual or potential noncompliance is a condition of employment for all TARC employees.
2. All TARC employees and volunteers will receive training on the reporting process.
3. Retaliation against members of the Board of Directors, employees, volunteers, independent contractors/consultants or agents of persons supported who report in good faith is prohibited.
4. Any independent contractor/consultant or employee of a person supported who has concerns about the work they do for TARC or work done by TARC should report those concerns in writing to the Board Treasurer.

V. TARC Policies on Prevention and Detection of Fraud and Abuse

1. All TARC employees will be aware of TARC policies regarding detection and prevention of health care fraud and abuse. These policies can be accessed via the TARC internal computer network system or by contacting the Human Resources Director.
2. TARC policies relevant to the prevention and detection of fraud and abuse include:
 - [03-004 Nepotism](#)
 - [03-006 Credential Verification Background Screening](#)
 - [03-036 Staff Competencies](#)
 - [03-070 Conflict of Interest/Arms Length Transactions](#)
 - [04-016 Finance](#)

VI. Federal & State Regulations

1. Federal law, including the False Claims Act and the Program Fraud and Civil Remedies Act, and Kansas laws prohibit the knowing submission of false claims or statements to the government for payment. These laws define false claims as “knowingly submitting false or fraudulent claims for payment to the federal or state government or making or using a false record or statement in connection with the submission of a claim for payment to the government”.
2. Violations can subject TARC and those involved in the violation to significant fines as well as criminal penalties.
3. Detailed information about the provisions of the federal False Claims Act, the federal Program Fraud and Civil Remedies Act and Kansas’ civil and criminal state laws pertaining to false claims and statements are available to all members of the Board of Directors, employees, volunteers, independent contractors/consultants and agents of persons supported through the Human Resources Director.

VII. Reporting Outside of TARC

1. A person may become a whistleblower and notify the government of known or suspected fraudulent activity at TARC.
2. TARC is prohibited from retaliating against persons who notify the government of potential fraud and/or abuse violations.

VIII. Training

A. Employees

1. All TARC employees will receive training on identifying, preventing and detecting false claims and potentially fraudulent behavior upon hire during New Staff Orientation.
2. All TARC employees will review this policy annually with their immediate supervisor and/or Division Director at the time of the annual performance evaluation review meeting.
3. All TARC employees will receive the most current version of this policy in their annual Employee Handbook.

B. Board of Directors

4. Members of the Board of Directors will receive training on identifying, preventing and detecting false claims and potentially fraudulent behavior during their initial orientation to their board responsibilities.

5. All Board of Directors members will receive a copy of this policy to be included in their official Board Notebook.

C. Volunteers

1. Volunteers will receive training on identifying, preventing and detecting false claims and potentially fraudulent behavior during their initial orientation to TARC.
2. Volunteers will receive a copy of this policy in their Volunteer packet.

D. Independent Contractors/Consultants

1. Independent Contractors/Consultants will receive training on identifying, preventing and detecting false claims and potentially fraudulent behavior at the time the official contract is signed.
2. Independent Contractors/Consultants will receive a copy of this policy along with the copy of their signed contract with TARC.

E. Agents of Persons Supported

1. Agents of Persons Supported will receive training on identifying, preventing and detecting false claims and potentially fraudulent behavior upon hire by the person supported.
2. Agents of Persons Supported will receive a copy of the most current version of this policy upon hire.

IX. Enforcement

A. Employees, Board of Directors, Volunteers, Independent Contractors/Consultants, Agents of Persons Supported:

1. Persons acting in violation of this policy are subject to disciplinary action, up to and including termination of their relationship with TARC.