



UT Medical Group, Inc.

Office of Corporate Compliance
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Corporate Compliance Policy Summary Compliance with the False Claims Act

Background: The Deficit Reduction Act of 2005 directs any entity meeting certain Medicaid payment criteria to establish and provide written policies for employees (including managers) and for any contractors and agents, with detailed information about:

- A. The False Claims Act (federal and state).
- B. Written policies and detailed procedures for detecting and preventing fraud, waste, and abuse in federal and state health care programs.
- C. Inclusion in any employee handbook, including a specific discussion of
 - (1) Laws relating to the False Claims Act;
 - (2) Rights of employees to be protected as whistleblowers; and
 - (3) Policies and procedures for detecting and preventing fraud, waste and abuse.

Federal False Claims Act: The Federal False Claims Act creates a liability to the U.S. government by any person who knowingly presents, uses or causes to be presented a false or fraudulent claim or a false record or statement (Medicaid or Medicare claim) to the government. Damages under the FCA include civil penalties of not less than \$5,500 per claim and not more than \$11,000 per claim, plus treble damages, i.e., three times the amount of the damages the government sustains. The False Claims Act permits private lawsuits by a qui tam relator, or private prosecutor to sue on behalf of the federal government in a proceeding often called a qui tam (whistleblower) suite. If the government proceeds, such a person shall receive a percentage of the recovery depending upon the extent to which the person substantially contributed to the prosecution of the action. The Act also prohibits any kind of discrimination against an employee who files or participates in a lawsuit brought under the Act or who assists in the investigation of a false or fraudulent claim.

Tennessee Medicaid False Claims Act: The Tennessee Medicaid False Claims Act (FCA) also prohibits knowingly presenting, or conspiring to present, a false or fraudulent claim for payment under the Medicaid program (TennCare). Like the federal statute, the Tennessee law also allows lawsuits by a qui tam relator, or private prosecutor on behalf of the government. If the government proceeds, such a person shall receive a percentage of the recovery depending upon the extent to which the person substantially contributed to the prosecution of the action. The Tennessee FCA also prohibits discrimination against any employee who files, or participates in, a lawsuit brought under the Act or who assists in the investigation of a false claim.

Policy Summary: It is UT Medical Group, Inc.'s policy to comply with DRA Section 6032 and provide written policies, employee guidance, monitoring, and reporting related to prevention and any incidence of fraud, abuse, and false claims.

Scope: This Policy applies to all physicians, providers, managers, employees, and practices at UT Medical Group, Inc. (UTMG) and their contractors and agents who affect Medicaid (TennCare) and Medicare claims and expenses.

Documents: The text of the **The Deficit Reduction Act** (DRA) may be found at: purl.access.gpo.gov/GPO/LPS69847
The UT Medical Group Policy **Compliance With The False Claims Act** may be found at
<http://www.utmedicalgroup.com/pages/FalseClaimsActCompliance.pdf>

Purpose of Policy: To comply with 2005 Deficit Reduction Act (DRA), § 6032: "*Employee Education About False Claims Recovery*" and prevent false claims. Effective January 1, 2007.

Amendments to This Policy: The UTMG Compliance Officer, in consultation with UTMG Executive Officers and legal counsel, will approve any changes to this policy.

DRA Education at UTMG: Includes but is not limited to computer-based training courses and written and oral guidance through employee publications and meetings, written notice to contractors and agents, and handbooks for employees and physicians.

Monitoring and Reporting: Includes but is not limited to a Corporate Compliance Program using (1) a Compliance "Hotline" to inform the Compliance Officer of any fraud, billing abuse or false claim concerns, and (2) a whistleblower protection policy to prohibit retaliation for reporting a compliance concern or assisting in any compliance-related investigation.