

## Policy Title: Fraud, Waste and Abuse

<b>Policy Owner:</b> CEO	<b>Date Written:</b> 10/1/13
<b>Policy Originated by:</b> Julie Sjordal / NJ Legal	
<b>Applicable Programs:</b> ALL or name program	<b>Date Reviewed and Approved by C-Suite:</b> 6/18/18; 12/11/19, 11/11/20, 11/8/23; 5/1/25  <b>Date Reviewed and Approved by BOD:</b> 10/15/18
<b>Statutory or Regulatory Citation:</b>	<b>Signature if needed or legal review note</b> Legal Review by Elizabeth Winchell 2018

### Policy

St. David's is committed to establishing a culture that promotes compliance with laws and regulations. St. David's complies with Federal and State laws and regulations and takes steps to prevent, detect, and correct noncompliance with Centers for Medicare & Medicaid Services (CMS) and Minnesota Department of Human Services (DHS) program requirements, as applicable. Accordingly, St. David's supports the efforts of Federal and State authorities to prevent, detect, and correct Fraud, Waste, and Abuse, as defined below.

### Definitions

**Abuse:** With respect to St. David's participation in government health care programs and submission of claims to third-party payors, "abuse" is a pattern of practices that are inconsistent with sound fiscal, business, or health service practices, and that result in unnecessary costs to the programs or in reimbursements for services that are not medically necessary or that fail to meet professionally recognized standards.

**Fraud:** An intentional deception or misrepresentation that the individual knows to be false or does not believe to be true, and that the individual makes knowing that the deception could result in some unauthorized benefit to the individual or to some other person.

**Medicaid:** A medical assistance program provided to certain low-income individuals under a state plan approved by CMS. Minnesota's Medicaid program is Medical Assistance (MA).

**Waste:** The inappropriate utilization and/or inefficient use of resources.

**Compliance Team:** Chief Operations Officer (COO) Director of Administration and Health Information Management (DAHIM), and Director of Policy, Training and Talen (DPTT)

## **Procedure**

### **I. Training**

- A. The St. David's Compliance Team is responsible for developing Fraud, Waste, and Abuse-related training materials. Training materials are reviewed and, if needed, updated not less than annually.
- B. All employees, managers, and directors of St. David's receive appropriate Fraud, Waste, and Abuse training within thirty (30) days of beginning work for St. David's and annually thereafter.
- C. The content of Fraud, Waste, and Abuse training includes:
  - i. Review of the meaning of the terms "Fraud", "Waste", and "Abuse;"
  - ii. Review of the Federal and State laws that prohibit Fraud, Waste, and Abuse;
  - iii. Examples of Fraud, Waste, and Abuse;
  - iv. Strategies for detecting and preventing Fraud, Waste, and Abuse; and
  - v. How to report suspected Fraud, Waste, and Abuse.
- D. St. David's maintains documentation of Fraud, Waste, and Abuse training.

### **II. Prevention and Detection of Fraud, Waste, and Abuse**

- A. The Compliance Team is responsible for developing and disseminating Fraud, Waste, and Abuse-related compliance policies and procedures.
- B. St. David's has established an operational infrastructure that includes policies and procedures and a Code of Conduct designed to describe and support the organization's efforts to prevent and detect Fraud, Waste, and Abuse.
- C. St. David's has established sanction screening policies and procedures to verify that individuals employed by St. David's have not been excluded or debarred from doing business with Federal or State health care programs.
- D. St. David's has established claims submission controls (through supervisory oversight and electronic medical record infrastructure) to address and safeguard against the submission of fraudulent or otherwise deficient claims.

### **III. Responding to Suspected Fraud, Waste, and Abuse**

- A. All employees, managers, and directors are responsible for immediately reporting suspected Fraud, Waste, or Abuse in accordance with the St. David's "Misconduct Reporting and Response" Policy (to supervisor or Policy Training and Talent Department). All Misconduct reports are forwarded to CEO.
- B. The CEO will review with the Compliance Team and legal counsel and will assign an investigation regarding such reports, when indicated by the "Misconduct Reporting and Response" Policy.
- C. If it is necessary to report substantiated Fraud, Waste, or Abuse to an external party, the Compliance Team oversees such reporting, including ensuring that any such reporting occurs timely.

#### **Violation of this Policy or Procedure**

No or only partial adherence to this policy or procedure may result in noncompliance with current regulatory requirements and subsequent penalties to St. David's Center. Remediation for violators will include, but not be limited to, disciplinary action up to and including termination depending on the circumstances of the situation at the time.

#### **Reference or Attachment:**