

POLICY AND PROCEDURE PERTAINING TO ANTI-FRAUD

PURPOSE

The purpose of this policy is to provide information regarding the prevention, elimination, monitoring, and reporting of fraud, abuse, and improper activities of government funding in order to obtain and maintain integrity of public funds.

POLICY

EON is licensed by Minnesota Department of Human Services (DHS), chapter 245A and has enrolled to receive public governmental funding reimbursement for services. EON is required to comply with the enrollment requirements as a licensing standard (MN Statutes, sections 245A.167 and 256B.04, subdivision 21). Employees of EON shall not engage in any acts of fraud, abuse, or waste, and shall not knowingly make false statements of material fact in the preparation and submission of any claim for reimbursement under the Medicaid program, or commit any other activity prohibited herein. Violation of this policy is grounds for immediate termination from employment.

Government funds may be from state or federal governments, to include, but not be limited to: Minnesota's Medical Assistance, Medicaid, Medicare, Brain Injury Waiver, Community Alternative Care Waiver, Community Alternatives for Disabled Individuals Waiver, Developmental Disability Waiver, Elderly Waiver, and Minnesota's Alternative Care program. EON has a longstanding practice of fair and truthful dealing with persons served, families, health professionals, and other businesses. Management, staff, contractors, and other agents of our company shall not engage in any acts of fraud, waste, or abuse in any matter concerning EON's business, mission, or funds.

PROCEDURE

- I. Types of fraud, abuse, waste, or improper activities, which may lead to the submission of false claims include, but are not limited to the following:
 - A. Billing for services not actually provided.
 - B. Documenting clinical care not actually provided.
 - C. Paying phantom vendors or phantom staff.
 - D. Paying a vendor for services not actually provided.
 - E. Paying an invoice known to be false.
 - F. Accepting or soliciting kickbacks or illegal inducements from vendors of services or offering or paying kickbacks or illegal inducements to vendors of services.
 - G. Paying or offering gifts, money, remuneration, or free services to entice a Medicaid recipient to use a particular vendor.
 - H. Using Medicaid reimbursement to pay a personal expense.
 - I. Embezzling from the company.
 - J. Ordering and charging over-utilized medical services that are not necessary for the person served.
 - K. Corruption.
 - L. Conversion (converting property or supplies owned by the company to personal use).
 - M. Misappropriation of funds of the company or person served by the company.
 - N. Personal loans to executives.
 - O. Illegal orders.
 - P. Maltreatment or abuse of persons served by the company.

II. Public Funds Compliance Officer (FCO): EON has designated Tyler Berg as the Public FCO. This person can be contacted at (507) 233-3067 or tberg@theeon.com

III. Mandatory Reporting Requirement

- A. Employees of EON who have a reason to believe that any employee, including managerial employee, or any contractor or agent hired by EON has violated this requirement by committing fraud, abuse, or waste, has a duty to report their observation and concern immediately to their supervisor. However, if the staff person is not comfortable speaking with their supervisor or is not satisfied with the supervisor's response, the staff person is encouraged to speak with the Public FCO. If the staff is not comfortable speaking with the Public FCO, the staff is encouraged to speak with the Chief Executive Officer (CEO). At any time, the staff may speak with an applicable external agency to express their concerns if it is believed that it is not possible to speak with the CEO. Examples of applicable external agencies are local social service agency's financial manager or law enforcement. This policy is intended to encourage and enable persons to raise serious concerns within EON prior to seeking resolution externally.
 - B. Requirement of good faith: Anyone filing a complaint concerning a violation or suspected violation of the law or regulation requirements must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.
 - C. Confidentiality: Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.
 - D. No retaliation: No staff person who in good faith reports a violation of a law or regulation requirements will suffer harassment, retaliation, or adverse employment consequences. A staff who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.
 - E. Report acknowledgement: The Public FCO, or designee, will acknowledge receipt of the reported violation or suspected violation by writing a letter (or email) to the complainant within ten business days, noting that the allegations will be investigated.
- IV. Responding to allegations of improper conduct: The Public FCO is responsible for responding to allegations of improper conduct related to the provision or billing of Medical Assistance services. This may include, but is not limited to: investigating, interviewing applicable individuals involved, reviewing documents, asking for additional assistance, seeking input on process of the investigation, or seeking input on Medical Assistance laws and regulations interpretations to address all staff complaints and allegations concerning potential violations. The CEO will take on functions of the Public FCO role if the complaint involves the Public FCO. If the complaint involves both the CEO and Public FCO, outside legal counsel or an applicable external agency will carry out the functions of the Public Funds FCO. The Public FCO or its designee will implement corrective action to remediate any resulting problems.
- V. Evaluation and monitoring for internal compliance:
- A. On a regular schedule and as needed, the Public FCO, or its designee, will run routine financial reports to review financial information for accuracy and compliance. On a regular schedule and as needed, the Public FCO, or its designee, will review standard operations and procedures to ensure that they remain compliant.
 - B. External review: On a regular schedule, the company will have an external financial review.
 - C. Promptly reporting errors: The Public FCO shall immediately notify appropriate individuals of all reported concerns or complaints regarding corporate accounting practices, internal controls, or auditing. This may include the Chief Financial Officer, the CEO, or the Chairperson of the Board

of Directors. The Public FCO will promptly report to DHS any identified violations of Medical Assistance laws or regulations.

- VI. Recovery of overpayment: Within 60 days of discovery by the company of a Medical Assistance reimbursement overpayment, a report of the overpayment to DHS will be completed and arrangements made with DHS for the department's recovery of the overpayment.
- VII. Staff are trained on this policy and as needed, they may need to be re-trained. As determined by EON, staff may need to demonstrate an understanding of the implementation of this policy.
- VIII. EON must record to maintain documentation that, upon employment and annually thereafter, staff providing a service have acknowledged they have reviewed the following statement: "It is a federal crime to provide materially false information on service billings for medical assistance or services provided under a federally approved waiver plan as authorized under Minnesota Statutes, sections 256B.0913, 256B.0915, 256B.092, and 256B.49."

REFERENCED POLICIES

None

REFERENCED FORMS

None