

Medicaid Compliance

Section 1-Introduction

Partners for Kids and Families (PFKF) receives a significant source of its revenue from Medicaid for its care management services. When dealing with Medicaid, it is essential we conduct ourselves in a manner that complies with the highest ethical and legal standards. Any agency activity that involves Medicaid must demonstrate our commitment to honesty, integrity, and compliance with federal and state law related to Medicaid.

It is against PFKF policy for any PFKF employee, intern, or volunteer (each referred to as a “PFKF representative”), contractor, or agent to falsify documentation, deliberately misrepresent, or attempt to deceive with respect to Care Management Activity (as defined in this Medicaid Compliance policy) or billing for Care Management Activity. Examples of prohibited conduct include but are not limited to:

- Knowingly billing for services not provided
- Deliberately falsifying when care management services took place, who received the service, and the frequency/duration of the service
- Intentionally submitting incorrect, misleading, and/or fraudulent information

For the purposes of this Medicaid Compliance policy, a “contractor” or “agent” includes any contractor, subcontractor, agent or other person which or who, on behalf of PFKF, furnishes, or otherwise authorizes the furnishing of, Medicaid health care items or services (e.g., PFKF vendors), performs billing or coding functions, or is involved in the monitoring of health care provided by PFKF.

Section 2: Applicable state and federal laws

There are federal and state laws designed to prevent and detect fraud, waste, and abuse in healthcare programs. The applicable laws are the following:

- Federal False Claims Act
- Federal Program Fraud Civil Remedies Act
- New Jersey False Claims Act
- New Jersey Medical Assistance and Health Services Act
- Health Care Claims Fraud Act
- New Jersey Insurance Fraud Prevention Act
- Conscientious Employee Protection Act

For a summary description of each of these laws, please see PFKF’s [Federal Deficit Reduction Act Of 2005-Section 6032 policy](#).

Section 3: Medicaid Compliance Team

Ultimately, Medicaid compliance is every PFKF representative’s responsibility. However, PFKF does have a Medicaid Compliance Team, led by the Corporate Compliance Officer. The Medicaid Compliance Team will also include the Executive Director, Program Coordinator, the

Finance Director, and Accounting Administrator. The Medicaid Compliance Team will be responsible for the training and education of PFKF representatives (including new employee orientation) on compliance issues, agency expectations, identifying and correcting errors, and operation of the Medicaid Compliance program.

The Corporate Compliance Officer will be responsible for reporting to the Partners for Kids and Families Board of Trustees on the activities of the compliance team.

Section 4: Background checks of PFKF representatives

The Program Coordinator will conduct background checks on all PFKF representatives upon hire and once a month thereafter to ensure they are not barred from participating in any state or federally funded health benefits program, including Medicaid.

PFKF will use the following databases to conduct the background checks:

- a) Federal exclusion data base: <https://exclusions.oig.hhs.gov/Default.aspx>
- b) NJ Treasurer's exclusion database:
<http://www.state.nj.us/treasury/revenue/debarment/debarsearch.shtml>
- c) NJ Division of Consumer Affairs licensure database:
<http://www.njconsumeraffairs.gov/Pages/verification.aspx>
- d) State of NJ debarment list: www.nj.gov/comptroller/divisions/medicaid/disqualified
- e) NJ Medicaid Fraud Division Provider Exclusion Report:
www.nj.gov/comptroller/divisions/medicaid/disqualified
- f) NJ Department of Health Licensure database: <http://njna.psiexams.com/search.jsp>

The Program Coordinator will keep records of the results of the monthly background checks on current and past PFKF representatives in accordance with applicable record keeping laws.

In addition, every month the Program Coordinator shall ensure that all licensure, registration, and certification credentials for licensed, registered, and certified PFKF representatives are verified and in good standing at the website listed below:

NJ Division of Consumer Affairs licensure database:
<http://www.njconsumeraffairs.gov/Pages/verification.aspx>

Section 5: Background checks on contractors and agents

The Program Coordinator will conduct a background check of all contractors and agents engaged by PFKF which includes screening contractors and agents against the databases listed in Section 4) a-e. Contractor and agent screening will be done prior to engagement and on an annual basis during the term of engagement. If the contractor or agent is found on any of the exclusion lists, it must be reported to the Corporate Compliance Officer.

If the contractor or agent is a licensed health care facility, the Program Coordinator shall confirm the licensure status of the contractor or agent with the applicable licensing authority.

The New Jersey Department of Health website for searching licensed facilities is below:

www.state.nj.us/health/healthfacilities/about-us/facility-types/

The Program Coordinator will keep records of the results of all background checks on current and past contractor and agents, in accordance with applicable record keeping laws.

Section 6: Results of Background Checks

Any prospective or current PFKF representative, contractor or agent who is included on any of the previously listed exclusion lists will not be hired or retained unless the individual can demonstrate, upon reliable and credible evidence, that they are not the individual contained in the report, are no longer on the report, or have been listed on the report in error and provide written proof of the same and that their name will be removed.

If any criminal charge or proposed debarment of exclusion is pending against an individual or entity employed or engaged by PFKF, such an individual or entity may be removed from direct responsibility or involvement with any federal or state health care program. If resolution of the matter results in conviction, debarment, or exclusion, PFKF will terminate the employment or engagement of the individual or entity.

Section 7: Internal Controls-Documentation reviews

PFKF has several internal controls to ensure billing is only for services that have been rendered.

Before PFKF bills Medicaid for the month, the Program Coordinator will review the electronic record of every youth to ensure there is documentation of Care Management Activity.

Care Management Activity is defined according to the Deficit Reduction Act of 2005 and includes the following:

- *Assessment of an eligible individual to determine service needs, including activities that focus on needs identification, to determine the need for any medical, social, educational, or other services*
- *Development of a specific plan of care collected through an assessment that specifies the goals and actions to address...services needed by the eligible individual*
- *Referral and related activities to help an eligible individual obtain needed services*
- *Monitoring and follow up activities...to ensure that care plan is effectively implemented and adequately addressing the needs of the eligible individual*

Specific examples of Care Management Activity may include, but are not limited to, facilitating Child-Family Team meetings, conducting face-to-face visits with the youth/family, completing the Strengths and Needs Assessment, referring the youth/family to needed services, and collateral contacts with child-family team members to monitor the progress of the implementation of the youth's Individual Service Plan (ISP).

For PFKF to bill Medicaid for care management services, there must be documented Care Management Activity in the youth's electronic record each month via N.J. Children's System of Care's Contracted Systems Administrator and signed by the care management staff who provided the service. Documentation in the youth's record should fully capture the entirety of Care Management Activity which occurred with the youth, family, Child-Family Team members, and other systems partners during the month.

Documentation in the youth's electronic record should demonstrate steps taken by the Child-Family Team to achieve the goals identified in the ISP. The necessity and rationale for all services should be appropriately and accurately documented in the youth's record. If not documented, the rationale for providing the service should be easily inferred by an independent reviewer.

Documentation should reflect the individualized needs for each youth and family for every contact. Documentation should not have "cloned notes", which are notes that appear identical for different visits or identical for different youth and families.

Care Management staff shall only perform those Care Management Activities reasonably believed to be necessary and to appropriately address the needs of the youth. All youth records used as a basis for a Medicaid claim submission shall be appropriately organized in a legible form, so they can be reviewed and audited. If the Program Coordinator finds any documentation to be unclear or conflicting, the Program Coordinator shall seek clarification from the Care Manager before PFKF submits a billing claim to Medicaid.

Documentation entered 30 days or more following the actual date of contact with the youth, family, Child-Family Team member, systems partners, or other collateral contact shall not be used to determine whether PFKF will submit a claim for Medicaid billing.

Section 8: Internal Controls-Signature forms

When a Care Manager completes a face to face visit with a youth/family or conducts a Child-Family Team meeting (which would include the youth/family), the Care Manager will submit a form which contains the youth (when applicable), parent, or caregiver's signature. The signature will provide independent verification certifying the face-to-face visit or Child-Family Team meeting took place.

Section 9: Internal Controls-Transition reports

Each month, the Finance Director and Accounting Administrator receive a report from the Quality Assurance Director. The report identifies which youth have transitioned for the month and which youth have pending transitions for the month. Since PFKF is not permitted to bill for care management services for the youth's final month of service, the report serves as a safeguard against erroneous billing.

Section 10: Internal audits of documentation

Each month, the Program Coordinator will audit documentation from a random sample of youth to monitor compliance with Medicaid standards and agency internal controls.

The documentation audit will include but is not limited to the youth electronic record, ISP, Strength and Needs Assessments, and progress notes.

If needed, the Program Coordinator will share the results of the documentation audit with the Corporate Compliance Officer.

Section 11: Reporting Errors

Any errors in billing should be reported immediately to the Finance Director so the error can be fixed, and Partners avoids incorrect payment for our services. In some instances, simply voiding or adjusting the claim(s) to Medicaid may be all that is needed. In other circumstances, it may be necessary to enact the NJ Medicaid Fraud Division's self-disclosure process.

Section 12: Overpayments

If it is determined that a payment received by PFKF constitutes an overpayment from a government sponsored or private health care reimbursement program that is not regularly adjusted by the payor of PFKF, then PFKF must return the overpayment to appropriate program as soon as possible after the determination is made. With respect to an overpayment from a government funded health care reimbursement program (e.g. Medicaid), the repayment must be made within sixty (60) days after the identification of the overpayment.

To address possible overpayments, PFKF has implemented the following procedure:

- a) The Program Coordinator forwards a list of youth to the Accounting Administrator. The list has the names of youth who have been cleared to bill for the month and those youth who PFKF will not bill for the month.
- b) PFKF Accounting Administrator enters a claim for each youth cleared to bill into the NJ Medicaid billing system.
- c) The Accounting Administrator receives and reviews a weekly report from NJ Medicaid indicating which youth PFKF have received payment.
- d) There should be only one payment per youth/per month. If there is more than one payment per youth/per month, it will show up as a credit balance on the youth's account.
- e) If a credit balance appears on a youth's account, the Accounting Administrator will immediately submit a corrective billing and NJ Medicaid would recoup the money.

The Finance Director also monitors the number of youth billed each month and number of payments received to confirm each month is accurate. If any billing is determined to be incorrect, a corrective billing will be immediately processed and returned to Medicaid.

Section 13: Agency expectations

All PFKF representatives have an affirmative duty to prevent, detect, and report fraudulent behavior. **PFKF representatives who participate in non-compliant behavior, encourage or facilitate non-compliant behavior, or fail to report non-compliant behavior will be subject to disciplinary action up to and including termination of employment. Those individuals who have been found to have violated this Medicaid Compliance policy may also be subject**

to penalties under the relevant federal and state laws described in PFKF's [Federal Deficit Reduction Act Of 2005-Section 6032 policy](#).

Section 14: Reporting non-compliance or fraud

Each PFKF representative has multiple options to report a concern or violation of PFKF's Corporate Compliance Plan. They may submit report to the Corporate Compliance Officer, their immediate supervisor, or to another member of PFKF's Management Team. If a PFKF representative other than the Corporate Compliance Officer receives the report, they must then provide the report to the Corporate Compliance Officer. Concerns or violations of the Corporate Compliance Plan may also be submitted through a third-party company which administers an anonymous and confidential reporting service. Reports can be submitted 24 hours a day by any PFKF representative using a [secure on-line form](#) or toll-free number (1-833-480-0010). The information conveyed is then made available to the Corporate Compliance Officer and/or Executive Director.

PFKF representatives may also report instances of fraud to the [New Jersey Medicaid Fraud Division](#) hotline at 1-888-937-2835.

Section 15: Non-retaliation

Under the New Jersey Conscientious Employee Protection Act (CEPA), New Jersey employers are prevented from taking any retaliatory action against a PFKF representative who discloses (or threatens to disclose) to a supervisor or to a public body any activity, policy or practice of the employer that the representative reasonably believes is fraudulent or criminal and that may defraud an individual or governmental entity, among others or participates in an investigation of violations.

Any PFKF representative who is found to have retaliated against another employee for reporting a violation or participating in an investigation will be subject to disciplinary action up to and including termination of employment.

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