

**VALLEY YOUTH HOUSE**  
**MEDICAL ASSISTANCE COMPLIANCE PLAN**  
**(effective 11/8/2010)**

**PURPOSE**

The Valley Youth House (VYH) Medical Assistance Compliance Plan exists to ensure that all Medical Assistance business will be conducted in compliance with state and federal requirements. The purpose of the plan is to outline and define the scope, responsibilities, and activities to prevent, detect and report incidents of Medicaid fraud, waste and abuse. All Directors, employees, contractors, and volunteers are directed to report any suspicion of Medical Assistance Fraud, Waste or Abuse to the Compliance Officer.

Other general policies including discipline and business ethic standards can be found in the Valley Youth House Personnel Policies and the Code of Business Conduct. All providers are required to be familiar with each of these documents.

**DEFINITIONS**

Medicaid Fraud, Waste and Abuse: An intentional deception, misrepresentation or practice by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person or a wasteful expenditure. It includes any act that constitutes fraud, waste or abuse under applicable federal or state law or other agency practice statements.

Medicaid Fraud, Waste and Abuse can include but is not limited to:

- Intentional billing for services not performed or improper billing
- Duplicate billing
- Unnecessary or misrepresented services or services provided in excess of what usual professional standards would indicate.
- Billing Medicaid enrollees for VYH provided services
- Upcoding or billing for a higher procedure code than the service provided
- Unbundling or billing for the individual components of a service which results in a higher payment than the “bundled” service code
- False or altered documents including client chart entries, invoices, billing information, time sheets, written communications, and billing submissions to health care companies.
- Services provided by professionals who are not properly credentialed at the time of service provision.
- Services provided by excluded professional as documented on the disbarment list at time of service
- Falsification of credentials by the individual employee or contractor
- Falsification of agency financial solvency
- Agency management concealment of fraudulent activity
- Incentives to providers that limit services or referral
- Evidence of intentional irregularities following sanctions for some problem
- Embezzlement or theft.
- Falsification or covering up a material fact.
- Use of U.S. mail as part of a fraudulent scheme.

- False or fictitious claim information
- Action or lack of action that conceals or fails to disclose information with the intent of securing payment or benefit when none was authorized or securing payment in an amount greater than authorized.

Persons associated with VYH: Any VYH director, employee, or contractor who provides services to clients or has any management, programmatic, financial, billing or other responsibilities associated with agency Medical Assistance funded programs, Magellan health Care funded Programs, or any third party payer behavioral health programs.

## **PROCEDURE**

### **VYH Administration**

1. VYH does not enter into contracts or other arrangements with providers which, directly or indirectly, pay or offer to pay anything of value, be it money, gifts, space, equipment, or services, in return for the referral of consumers to VYH for services paid by the Medicaid program or by any other federal health care program.
2. VYH does not enter into financial arrangements with providers that base compensation on the volume of Medicaid services provided.
3. VYH does not knowingly approve, cause claims, nor allow encounter data to be transmitted or submitted to the Medicaid program or any other federal health care program:
  - a. For services provided as a result of payments made in violation of (1.) above.
  - b. For services that are not reasonable and necessary as defined legally as well as by practice standards.
  - c. For services which cannot be supported by the documentation in the clinical record or that exceed reasonable clinical standards in terms of length of time used in completion of the task. (Including but not limited to service document guidelines: Bulletin 29-02-03, 33-02-03, 41-02-02 Documentation and Medical Record Keeping Requirements)
  - d. VYH does not falsify or misrepresent facts concerning the delivery of services or payments of claims in connection with the Medicaid program or any other federal health care benefit program.
  - e. VYH does not provide incentives to providers to reduce or limit medically necessary behavioral health services to Medicaid beneficiaries or recipients of other federal health care programs. Additionally, VYH does not provide services that are in excess of what is medically necessary.
  - f. VYH conducts all business with providers at arm's length and pursuant to written contract, with frequent and various monitoring mechanisms.
  - g. No VYH employee or person associated with VYH prevents or delays the communication of information or records related to violation of VYH Compliance Plan to the VYH Compliance Officer.
  - h. The VYH shall not employ or contract with providers excluded from participation in federal health care programs. The VYH monitors federal websites for local providers or practitioners who are excluded.

- i. All VYH employees and all provider agencies are screened by the hiring supervisor upon hire to determine whether they have been (1) convicted of a criminal offense related to health care; or (2) listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation, as required by current federal and state laws. The latter is verified through the United States Health and Human Services website at <http://exclusions.oig.hhs.gov>, and the Excluded Parties Listing System at <http://www.epls.gov>. Employees or subcontractors found to have a conviction or sanction or found to be under investigation for any criminal offense related to health care are to be removed from direct responsibility for, or involvement with MA funded services.
- j. Agencies or individuals listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation, as required by current federal and state laws, or found to have a conviction or sanction related to health care will be excluded from providing MA funded services.
- k. The VYH requires contractors to sign assurances that they are not excluded from participation and does not employ individuals who are excluded.

#### **VYH Compliance Officer and Committee**

1. VYH had designated a VYH Compliance Officer who will be responsible for overseeing the VYH Compliance Plan and coordinating monitoring activities.
  - The Compliance Officer role is designated to a supervisor in the Behavioral Health Component of VYH. In the instance that an investigation needs to occur in the program of the identified supervisor, the VYH Compliance Officer will recuse herself/himself and the Chairperson of the Quality Improvement/Compliance Committee will conduct the investigation.
  - The VYH Compliance Officer reports to the VYH Compliance Committee (aka the Quality Improvement Committee) (CC) as a non-voting member.
2. The Compliance Plan is reviewed at least annually by the VYH Compliance Officer. In consultation with the CC, the Compliance Officer may make recommendations to revise the VYH Compliance Plan with approval of the President and CEO.
3. The VYH Compliance Officer duties include the following:
  - To oversee and monitor the VYH overall compliance activities, including facilitating the VYH Compliance Committee.
  - Continue to develop with the VYH Compliance Committee, Compliance and Compliance Training Plans and monitoring activities that have VYH-wide application.
  - To periodically review the VYH Compliance Plan and recommend revisions as necessary.
  - To track and coordinate internal auditing and monitoring activities within VYH according to the VYH Compliance Plan Checklist, reviewing established procedures for periodic audits of the operations of programs.

- To receive and investigate reports of possible violations of the VYH Compliance Plan in a timely manner.
- To develop remediation action plans for VYH and the network of contractors to correct violations and prevent future incidents of noncompliance.
- To develop procedures and programs that encourage employees and contractors to report suspected violations of the VYH Compliance Plan without fear of retaliation.
- To identify areas where corrective actions are needed and, in consultation with the Quality Improvement/Compliance Committee develop strategies to improve compliance. The VYH Compliance Officer may consult with the state Mental Health Division Compliance Officer.
- As a part of the ongoing monitoring and auditing of the VYH Compliance Plan the Compliance Officer establishes a mechanism to notify employees and contractors of changes in Medical Assistance laws, regulations or policies, as necessary, to assure continued compliance.

### **VYH Medicaid Fraud and Abuse Monitoring**

1. VYH detects and prevents Medicaid fraud and abuse through the following activities, as outlined in the VYH Compliance Activity Checklist.
  - Annual Fiscal Review
    - a. Data integrity and encounter data verification with the clinical documentation in a clinical chart for a one month period of time, to include all the services provided in one month increments for at least 20% of the program charts per fiscal year. This will be completed during an annual internal program audit completed by the program supervisor and support staff.
  - VYH Annual Administrative Reviews with each program providing behavioral health services
    - a. The Compliance Officer will annually review a random sample of 10% of all agency employees and contractors, asking them to identify activities of Medicaid fraud and abuse that they could encounter while performing their daily duties. As a follow-up question, they are asked how and to whom they would report suspected Medicaid fraud and abuse concerns. These interviews have would inform the breadth of training offered to staff.
    - b. As part of the VYH Administrative Review, VYH Compliance Officer verifies that agency staff providing behavioral health services has been screened through the Federal Exclusion websites, as evidenced by a review of at least 10% of personnel files. Screening is verified through the website verification printouts located in the personnel file.
  - Internal monitoring and auditing for Medicaid fraud and abuse includes reviewing agency annual independent audits, and multiple feedback loops that review monthly Income and Expense Statements, client contacts and program procedures.  
Examples of specific internal monitoring activities include, but are not limited to:

- a. Review of VYH Program income and expense statements on a monthly basis and investigate any irregularities completed by each program supervisor.
  - b. A review of the clinical files for completeness and clinical quality of progress notes. Program supervisors will read one file per provider (individual or team) on a monthly basis for clinical quality of progress note. Senior Vice President will review one file per program per month for overall clinical quality. A different file will be reviewed each month.
  - c. VYH profiling of monthly client data, randomly calling 10% of families served to assess their receipt and satisfaction with services, and forwarding copies of the client's signature to for the client to verify. All Behavioral Health Programs will be included in the sample.
  - d. VYH Compliance Officer will review of the Magellan annual statistical report and quarterly completion reports.
  - e. Availability of VYH Compliance Officer to discuss suspected fraud and abuse and help staff accurately assess the likelihood that fraud and/or abuse is detected in the agency.
  - f. When fraud and/or abuse is suspected at VYH the Compliance Officer conducts an investigation within the first 20 business days of the incident and reports the results of the investigation to the VYH Compliance Committee and the appropriate authorities.
- The VYH Program Supervisors annually review VYH Personnel Policies related to required conduct and disciplinary action with their staff.
  - Time line for reporting:
    - a. When a suspected incident of MA fraud, waste or abuse is reported the Compliance Officer will inform the Compliance Committee and the President and CEO within 24 hours of receiving the complaint.
    - b. The Compliance Officer will complete an investigation within the following 20 business days, reporting the results of that investigation to the CC and President and CEO.
    - c. The Compliance Committee is responsible to reviewing the findings of the Compliance Officer, determining further reporting responsibilities and reviewing the systems to determine if any remediation is necessary for the Compliance systems in place.
    - d. The President and CEO is responsible for notifying the Audit Committee of the Board of Directors that an investigation is taking place and the results of the investigation if the anticipated financial implications are more than \$5,000.
    - e. Should the investigation determine the incident is an act of fraud, waste or abuse, the Compliance Officer will forward the information regarding the investigation to the pay source, the Attorney General's office and the Bureau of Professional Integrity within 24 hours of determining the results.

### **Program and Employee Responsibilities**

1. All VYH Program Managers are required to assure this Compliance Plan is implemented in their programs. They develop and implement procedures and processes within their program.
2. Hiring supervisors will screen employees and contractors to determine whether they have been (1) convicted of a criminal offense related to health care; or (2) listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation as verified through the United States Health and Human Services website at <http://exclusions.oig.hhs.gov>., and the Excluded Parties Listing System at <http://www.epls.gov>.

Valley Youth House will end its professional relationship with any person who as a result of an external audit or internal investigation or both, has been found to have engaged in inadequate documentation, waste, abuse or fraud.

### **VYH Provided Education and Training**

1. The Plan and reporting requirements are referenced as part of the mandatory Competency Trainings during the employees first six months of employment. Employees are made aware of their obligation to report to VYH their good faith belief of any possible instances of non-compliance.
2. The plan is posted on the VYH manuals webpage. All persons defined under “persons associated with VYH” are made aware of the plan’s existence and instructed to review the plan.
3. The VYH Compliance Officer provides training to the staff, or ensures that training has taken place in individual Medical Assistance program staff meetings. The training curriculum addresses the following:
  - a. VYH commitment to compliance with all laws, Medical Assistance regulations and guidelines of federal and state programs.
  - b. The elements of the VYH Compliance Plan, related VYH policies, and VYH activity checklist.
  - c. An overview of what constitutes fraud and abuse in a Medicaid managed care environment.
  - d. A review of the specific state contract requirements applicable to VYH business.
  - e. Responsibilities to report violations.
  - f. Various options of where and how to report violations.
  - g. The consequences of failing to comply with applicable laws.

### **Developing Effective Lines of Communication**

1. An open line of communication between the VYH Compliance Officer and employees or others associated with VYH is critical to the successful implementation and operation of the plan.
  - All employees and persons associated with VYH have a duty to report all incidents of Medicaid abuse and fraudulent activities, suspected or otherwise, to the Compliance Officer.
  - The VYH trainings provide information to encourage employees and contractors to report suspected violations of the VYH Compliance Plan without fear of retaliation.

2. As outlined in the VYH training curriculum and widely distributed information material, an individual may use any of the following mechanisms to report incidents of suspected violation(s):
  - a. In person to the VYH Compliance Officer
  - b. Calling the VYH Compliance Officer Directly at 610-954-9561, ext 320.
  - c. By faxing the Compliance Officer at 610-954-5944.
  - d. By e-mailing the Compliance Officer at [dhess@valleyyouthhouse.org](mailto:dhess@valleyyouthhouse.org).
  - e. By calling on an anonymous basis, the Compliance officer at 610-954-9561.
  - f. By mailing a written concern to the Compliance Officer:
 

Compliance Officer  
Valley Youth House  
531 Main Street, 2<sup>nd</sup> Floor  
Bethlehem, Pa 18018
  - g. By calling the Pennsylvania Compliance Hotline **1-866-dpw-tip**
  - h. By contacting the Pennsylvania State Attorney Generals Office
    - By calling **1-717-787-8242**, or
    - Writing to: **PA Office of Attorney General  
16<sup>th</sup> Floor, Strawberry Square  
Harrisburg, Pa 17120**
  
3. In addition, any person may seek guidance with respect to the Compliance Plan or the procedures contained in this policy at any time by following the same reporting mechanisms outlined above.

**Practice Monitoring**

This Practice is mandated by Magellan contract and state and federal statute.

1. The Practice will be monitored through:
  - a. VYH Compliance Committee review, at least annually
  - b. Monthly VYH Client Chart Reviews
  - c. Grievance Tracking
2. If a program performs below expected standards during any of the reviews listed above a Corrective Action will be required for VYH Compliance Committee approval.
3. Additional disciplinary actions and sanctions, per the VYH Compliance Plan and Personnel Policies, may also be enforced for failure to comply with this practice.