

The Ranken Jordan Home for Convalescent Crippled Children

Policy Title: False Claims and Non-Retaliation

PURPOSE:

Ranken Jordan is committed to assuring that its employees, agents, professionals and contractors conduct themselves ethically and in conformance with all applicable laws and regulations and the policies and procedures of Ranken Jordan. In keeping with its commitment to compliance, Ranken Jordan has adopted a Corporate Compliance Program (“Program”) that is designed to detect, prevent and report any actions which constitute violations of applicable laws, regulations, policies and procedures. In furtherance of the goals of the Program, the purpose of this policy is to inform employees, agents, professionals and contractors of (a) the false claims laws, (b) methods to report actions that may constitute a violation of applicable laws or the policies and procedures of Ranken Jordan, and (c) Ranken Jordan’s policy prohibiting the retaliation against any employee, agent, professional or contractor who reports any actions that may constitute a violation of applicable laws or the policies and procedures, including the false claims laws.

POLICY:

1. False Claims Laws.

A. Federal False Claims Laws. Federal false claims laws play an important role in preventing and detecting fraud and abuse in federal health care programs. These laws prohibit knowingly presenting or causing to be presented a false, fictitious or fraudulent claim for payment to any federal health care program (including Medicare and Medicaid); knowingly making a false record, statement or misrepresentation to obtain payment for a false claim from any federal health care program; or conspiring to defraud any federal health care program by getting a false claim paid. Examples of actions that could constitute a violation of these laws include:

- Filing false or fraudulent claims for payment or approval;
- Making or entering any charge for a service that was not provided or not ordered by a physician or other appropriately licensed person;
- Recording a charge for a service that differs in any way from the actual service provided (including by entering a false, fraudulent or erroneous CPT code);
- Submitting a separate claims to maximize reimbursement for tests and procedures that are required to be billed together (i.e., unbundling);
- Falsely certifying that a service was medically necessary;
- Making or using, or causing another to make or use, any false record or statement in connection with obtaining payment for a false or fraudulent claim or in connection with Ranken Jordan’s compliance with Medicare or Medicaid conditions of participation or with licensure and accreditation standards; or
- Filing a false or fraudulent cost report.

Violations of the federal false claims laws may result in any or all of the following actions being taken against Ranken Jordan:

- Civil penalties of between \$5000-\$10,000 for each false claim;
- An additional penalty equal to three times the amount of each false claim, as determined by the government depending on the circumstances;
- Recoupment by a federal health care program of any reimbursement received by Ranken Jordan for services covered by a false claim; and/or
- Exclusion or suspension from all federal health care programs.

B. Missouri False Claims Laws. Missouri false claims laws are important in preventing and detecting fraud and abuse in the Medicaid program. These laws prohibit knowingly making false statements or representations in order to receive payment under the Medicaid program. Examples of actions that could constitute a violation of these laws include presenting a claim to the Medicaid program that falsely certifies the medical necessity of health care services or that overstates the value of the services provided. Violators are subject to potential criminal liability and civil penalties of between \$5000-\$10,000 for each false claim plus penalties of three times the amount of damages sustained by the Medicaid program.

2. Reporting Potential Violations. Any employee, agent, professional or contractor who in good faith believes an activity may not comply with applicable laws, regulations, policies or procedures shall report the activity by any of the following methods:

- Contacting the Compliance Officer in person, by telephone or by email;
- Filing an anonymous report with the Compliance Officer; or
- Contacting a supervisor or manager (who shall convey such report to the Compliance Officer).

Employees, agents, professionals and contractors are encouraged to report any suspect activity to the Compliance Officer. However, individuals have the right to bring a civil action on their own or in conjunction with the government for a violation of the Federal False Claims Act and may recover damages or a portion of the recovery obtained by the government.

Consistent with its obligations under Missouri law, Ranken Jordan will (a) acknowledge receipt of a report made by any individual pursuant to this policy within 48 hours of receipt of the report and (b) keep any reports made pursuant to this policy confidential to the extent possible.

3. No Retaliation. No employee, agent, professional or contractor shall be subject to adverse or discriminatory action by Ranken Jordan for reporting in good faith any wrongdoing or suspect activity or for participating in any investigation or providing assistance with respect to any action that may be brought against Ranken Jordan, including, without limitation, bringing a civil action for a violation of the federal False Claims Act. Employees, agents, professionals and contractors shall report immediately any action believed to be retaliation against any individual

for reporting suspect activities or wrongdoing. Individuals determined to have engaged in retaliation or discriminatory treatment in response to a report of wrongdoing or suspect activity will be subject to disciplinary or other corrective action, including termination.

4. **Program Information.** Ranken Jordan's Program includes detailed policies and procedures designed to detect, prevent and report any actions which constitute violations of applicable laws, regulations, policies and procedures. Copies of the Program are available to employees, agents, professionals and contractors upon request to the Compliance Officer and can be found at f:/policies and procedures/manuals/corporate compliance.