



MID-ATLANTIC HEALTH CARE, LLC

REPORTING REASONABLE SUSPICION OF FRAUD, WASTE, AND ABUSE, INCLUDING UNETHICAL CONDUCT

Staff members, including contractors and agents, who suspect that fraud, waste and abuse, including unethical conduct has occurred in violations of Mid-Atlantic Health Care's Employee Code of Conduct, must report such reasonable suspicions to the **Chief Compliance Officer, (410-308-2300, Ext. 227) , or the Compliance Hotline (877) 432-0577.**

MARYLAND FRAUD, WASTE, ABUSE LAWS: Maryland law prohibits submitting false and fraudulent claims to a state health plan or program. Violations include presenting false or fraudulent claims for payment or approval; making or using false records, receipts, statements, or representations; possessing public property or state money and delivering less than all of that money or property; buying or receiving public property from a state officer, employee, or agent who may not lawfully disburse the property; concealing or improperly avoiding an obligation to pay money or property to the state; conspiring to commit any of these acts; converting benefits for a use that is not for an authorized beneficiary; and possessing a medical assistance or pharmacy assistance card without authorization from the person to whom the card is issued. Maryland law also prohibits providing or receiving kickbacks or rebates for the furnishing of goods, services, or referrals payable under a state health plan or program.

Maryland Civil and Criminal Penalties

A person who violates the Maryland false claims or anti-kickback laws may be guilty of a felony and subject to civil and criminal penalties. Civil remedies may include a \$10,000 penalty per violation, plus three times the amount of damages the state suffers as a result of the violation, and the litigation costs to recover those damages.

Whistleblower Protections and Rewards

Individuals may file a civil action on behalf of the state for violations of these laws and may receive a percentage of any amounts recovered in such action. This percentage varies, but will not exceed twenty-five percent of the total recovery. Maryland law also protects individuals who report or file claims related to suspected fraud and abuse. An employee who is discriminated against for lawfully reporting fraud or abuse or filing a claim may receive reinstatement to his or her position with the same seniority status and benefits; two times the amount of back pay, with interest; removal of adverse personnel record entries; other special damages, including litigation costs and reasonable attorney fees; a civil penalty of \$5,000 per violation; and punitive damages where appropriate.

Reporting Violations

If you believe that an employee or officer has violated the Act discussed above, please report the violation in accordance with the provisions of the Mid-Atlantic Compliance Program.

Laws and Regulations

- M d. Health-General Code Ann. § 2-601, 601 – 611
- M d. Crim. Law Code Ann. § 8-508, 508 – 519
- M d. Health Occupations Code Ann. § 1-501, 501 – 506
- M d. Health-General Code Ann. § 2-501, 501 – 505
- M d. Health Occupations Code Ann. § 1-301, 301 – 307

PENNSYLVANIA FRAUD, WASTE AND ABUSE LAWS: Pennsylvania law prohibits submitting false and fraudulent claims for medical assistance. Violations include making false statements in an application for benefits or provider enrollment; making claims for medically unnecessary goods or services; submitting false information to obtain more compensation than one is entitled to; submitting duplicate claims; submitting claims for costs not associated with the stated goods or services or for services at higher than ordinary rates; and conspiring with another person to obtain payments or benefits to which that person is not entitled. Pennsylvania law also prohibits soliciting, receiving, offering, or paying any kickbacks, bribes, or rebates in return for referrals or purchases which may be paid for under a public assistance program.

Pennsylvania Civil and Criminal Penalties

A person who violates the Pennsylvania false claims or anti-kickback laws may be guilty of a felony and subject to civil and criminal penalties. Civil remedies may include a \$15,000 penalty per violation, plus three times the amount of damages the state suffers as a result of the violation. A person may also be ineligible from participating in the medical assistance program for up to five years.

Reporting Violations

If you believe that an employee or officer has violated the Act discussed above, please report the violation to the Chief Compliance Officer or in accordance with the provisions of the Mid-Atlantic Health Care's Compliance Program, and Employee Code of Conduct. The Pennsylvania Insurance Commissioner must also be notified, if applicable.

Laws and Regulations

- Pa. Stat. Ann. § 1407

Definitions

“Crime” is defined by the law of the political subdivision where a facility is located. Facilities must coordinate with their state and local law enforcement entities to determine what actions are considered crimes within their political subdivisions. “Political subdivision” means a city, county, township or village.

“Local law enforcement” means the full range of potential responders to elder abuse, neglect and exploitation including: police, sheriffs, detectives, public safety officers, corrections personnel, prosecutors, medical examiners, investigators and coroners.

“Serious bodily injury” is an injury involving: extreme physical pain; substantial risk of death; protracted loss or impairment of the function of a bodily member, organ or mental faculty; or requiring medical intervention such as surgery, hospitalization or physical rehabilitation.

REPORTING REASONABLE SUSPICION OF A CRIME

Staff members, including contractors and agents, who suspect that a crime has occurred against a resident, must file a report with local law enforcement and the state survey agency according to the following guidelines:

- Serious bodily injury – 2 hour time limit. If the events that cause the reasonable suspicion result in serious bodily injury to a patient, the suspicion must be reported immediately, but not later than 2 hours after forming the suspicion.
- No serious bodily injury – within 24 hours. If the events that cause the reasonable suspicion do not result in serious bodily injury to a patient, the suspicion must be reported within 24 hours of forming the suspicion.
- No employee, contractor or agent, will be retaliated against for making a report under this policy.