

IMPORTANT NOTICE

TO: MaineCare Provider/Supplier

FROM: Office of MaineCare Services, Provider Enrollment Unit

DATE: May 24, 2007

RE: False Claims Act, 31 U.S.C. §§ 3729-3733.

The Deficit Reduction Act of 2005, Section 6032, mandates new requirements for states' Medicaid providers and suppliers. **Beginning January 1, 2007, if you receive more than \$5 million per federal fiscal year (October 1 to September 30), from MaineCare, the False Claims Act applies to you.** Even if you do not receive more than \$5 million per federal fiscal year from MaineCare, you should still be aware of these new requirements. Please retain this notice with your MaineCare Provider/Supplier Agreement. If you have received this notice as a billing agency, please forward a copy of this notice to your client(s).

Responsibilities of the MaineCare Provider/Supplier

If you, as the Provider/Supplier, receive \$5 million or more from MaineCare, you:

- 1 must offer information about the False Claims Act to employees and to contractors, such as billing agencies.
- 2 are responsible for all aspects of complying with the False Claims Act.
- 3 are responsible for monitoring and recognizing when its MaineCare revenues will exceed \$5 million in a federal fiscal year.
- 4 must have written policies and procedures in place for detecting and preventing fraud, waste, and abuse. The Provider/Supplier is required to notify the OMS as soon as the Provider has knowledge of any claim that was or may be fraudulent. Under the False Claims Act, knowingly submitting a false or fraudulent claim to the U.S. government will bring civil penalties ranging from \$5,000 to \$10,000, plus three times the amount that the government paid.
- 5 are required to give the Office of MaineCare Services (OMS), or its designee, documents and other materials, upon OMS request, as part of monitoring compliance with the False Claims Act.

Compliance Documents

The following documents are acceptable as proof.

1. Written matter for employees, contractors and agents regarding the FCA. The materials must include details about

- a) the False Claims Act
 - b) whistleblower protections
 - c) penalties for submitting false claims
 - d) policies and procedures for detecting and preventing fraud, waste and abuse
2. Description of how employees have access to the FCA information (i.e. company intranet, employee newsletter, employee handbook)
 3. Description of how you have notified contractors and agents about FCA requirements.

You may offer other documents that show compliance with the FCA. OMS can ask you for more information, including other written materials.

Responsibilities of the Office of MaineCare Services (OMS)

1. Upon request by the Provider/Supplier, OMS will produce a report on the total amount paid to the entity during a federal fiscal year.
2. OMS will send a written approval and/or suggestions to enhance compliance regarding the Provider/Supplier's compliance documents.
3. OMS will contact the Provider annually to request updated compliance documents.

More Information about OMS requirements

For more information about OMS's requirements for the False Claims Act, please contact OMS Provider Enrollment Unit at 207-287-4082 or 1-800-321-5557 option 6.

If you have been paid \$5.0 million or more during the fiscal year, you will receive a separate notice about sending compliance documents to OMS.

More Information about the law

Enclosed is a Department of Justice summary of the law. Resources on the web include

The False Claims Act, an overview. (Centers for Medicare and Medicaid):

<http://www.cms.hhs.gov/smdl/downloads/SMD032207Att2.pdf>

The False Claims Act Legal Center (Taxpayers Against Fraud):

<http://www.taf.org/whyfca.htm>

Qui Tam Litigation and the False Claims Act (lawyers.com):

<http://qui-tam-litigation.lawyers.com/Qui-Tam-Litigation-and-the-False-Claims-Act.html>

Qui Tam and False Claims Law (MegaLaw.com):

<http://www.megalaw.com/top/quitam.php>