

# **Hudspeth Regional Center**

## **False Claims Act (As part of the Deficit Reduction Act of 2005)**

The Department of Mental Health has a strong and continuing commitment to ensure that its services are conducted in accordance with applicable laws relating to all professional practices, third party reimbursement, and contractual and legal obligations. Knowledge of applicable laws that could affect the Department of Mental Health is essential for employees. One such law is the False Claims Act.

The FCA is aimed at the following conduct: 1) knowingly presenting or causing to be presented a false or fraudulent claim for payment to the government; 2) knowingly using a false record or statement to obtain payment on a false or fraudulent claim paid by the government; or 3) engaging in a conspiracy to defraud the government by getting a false or fraudulent claim allowed or paid.

The FCA defines intent as “knowing” conduct. This can include: 1) having actual knowledge of the falsity of the claim; 2) acting in deliberate ignorance of the truth or falsity of the claim; and/or 3) acting in reckless disregard of the truth or falsity of the claim.

A charge of False Claims is usually levied upon providers found to be committing fraud. The False Claims Act requires that the government show that some harm has come to it as a result of fraud. If this is determined, fines for three times the government’s damages plus civil penalties of \$5,000 to \$11,000 per false claim could be applied. All FCA violations carry a potential for imprisonment.

Examples of fraud include:

- Billing for services not rendered;
- Requesting, offering, or receiving a kickback, bribe, or rebate;
- Using an incorrect or inappropriate provider number in order to be paid;
- Selling or sharing patients’ Medicare/Medicaid numbers so false claims can be filed; or
- Falsifying information on applications, medical records, billing statements, and/or cost reports or on any statement filed with the government.

Furthermore, to encourage citizens to report violations, certain protections are in place to shield the individual from retaliation for bringing suit against his or her employer. The FCA protects anyone who lawfully acts in investigation for, initiation of, testimony for or assistance in a claim under the act. The protections are still in effect if the claims under the FCA have not been filed. The individual is protected against discharge, demotion, suspension, threats, harassment, and discrimination. HRC actively encourages persons with knowledge of fraudulent claims and abuse to report it.

For more information or to report suspected violations, please contact the HRC Compliance Officer (Jackie Breland) at 601-664-6100 or the Personnel Department at 601-664-6080.