

SYSTEMWIDE POLICY

Prevention and Detection of Fraud, Waste and Abuse

This Policy is Applicable to the following Corewell Health sites:

SYSTEMWIDE

Continuing Care, Corewell Health Beaumont Grosse Pointe Hospital, Corewell Health Beaumont Troy Hospital, Corewell Health Big Rapids Hospital, Corewell Health Dearborn Hospital, Corewell Health Farmington Hills Hospital, Corewell Health Gerber Hospital, Corewell Health Grand Rapids Hospitals (Blodgett Hospital, Butterworth Hospital, Helen DeVos Children's Hospital), Corewell Health Greenville Hospital, Corewell Health Ludington Hospital, Corewell Health Medical Group East, Corewell Health Medical Group West, Corewell Health Niles Hospital, Corewell Health Pennock Hospital, Corewell Health Reed City Hospital, Corewell Health Specialty Pharmacy, Corewell Health St. Joseph Hospital, Corewell Health Taylor Hospital, Corewell Health Trenton Hospital, Corewell Health Watervliet Hospital, Corewell Health Wayne Hospital, Corewell Health William Beaumont University Hospital (Royal Oak), Corewell Health Zeeland Hospital, Corporate, Hospital Outpatient Departments West, Priority Health

Applicability Limited to: N/A

Reference #: 1063

Version#: 7

Effective Date: 04/25/2024

Functional Area: Compliance

Department Area: Compliance

1. Purpose

To help our Team Members understand applicable laws pertaining to the prevention of fraud, waste and abuse, including the basic provisions of the federal and state laws related to the submission of false claims for reimbursement.

2. Definitions

- 2.1. Employed Team Member:** An individual on Corewell Health's payroll who may also receive benefits, if eligible, directly from Corewell Health; may also be referred to as employee.
- 2.2. Non-Employed Team Member:** An individual who is not employed by a Corewell Health entity but who works or provides services on behalf of Corewell Health or on behalf of another organization affiliated with Corewell Health including agents, vendors and contractors; may also be referred to as non-employee.
- 2.3. Team Member:** For purposes of this policy, this includes Employed and Non-Employed Team Members.

3. Policy

- 3.1. Corewell Health Compliance Program:** Corewell Health's Compliance Program is a key component in our strategy to prevent and detect fraud, waste and abuse. The Compliance Program concepts are described in Corewell Health's Code of Excellence and approved

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policies and procedures. Team Members should contact their leader or the Compliance Department for any compliance related concerns.

- 3.2. **Federal and State Laws:** The government has taken steps to prevent and detect fraud, waste and abuse in the U.S. health system. In accordance with the Deficit Reduction Act of 2005, information regarding the federal and state false claims laws and related qui tam/whistleblower provisions will be communicated to all Team Members. This information includes, but is not limited to, the information below in Sections 3.3 and 3.4.
- 3.3. **The Federal False Claims Act:** The federal False Claims Act (FCA) is a law that imposes liability to a person or entity that improperly receives from or avoids payment to the federal government. Examples of federal programs covered by the FCA are Medicare and Medicaid.

The [FCA](#) establishes liability for any person or entity who knowingly presents or causes to be presented a false or fraudulent claim to the U.S. government for payment.

- 3.3.1. **Penalties Under the FCA:** The FCA does not require proof of a specific intent to defraud the U.S. government. An individual or entity that violates the FCA may be subject to civil monetary penalties. Penalties of up to three times the amount of damages may also be ordered. The individual or entity may also be excluded from participating in federal health care programs.
- 3.3.2. **FCA Qui Tam “Whistleblower” Provisions:** The FCA allows any person with actual knowledge of an allegedly false claim to file a lawsuit on behalf of the U.S. government. Such persons are called “whistleblowers.”

The FCA contains important [protections for whistleblowers](#) who file claims in good faith. Depending on the circumstances, these protections may not apply to whistleblowers that file frivolous claims, file claims in bad faith or were directly involved in certain aspects of these claims. Retaliatory conduct against a person who files an FCA lawsuit, or tries to stop or prevent an FCA violation, may entitle the person to additional relief, including reinstatement of employment, back pay and compensation for costs or damages.

- 3.4. **The Michigan Medicaid False Claims Act:** The [Michigan Medicaid False Claims Act](#) (MMFCA) is a state law that is designed to prevent fraud, kickbacks and conspiracies in the Michigan Medicaid program (Medical Assistance Program).

- 3.4.1. **MMFCA Qui Tam Whistleblower Provisions:** The MMFCA allows any person to file a civil lawsuit to recover losses to the State of Michigan. Such persons are called “whistleblowers.”

The MMFCA contains important protections for whistleblowers who file claims in good faith. Depending on the circumstances, these protections may not apply to whistleblowers that file frivolous claims, file claims in bad faith or were directly involved in certain aspects of the claim. Retaliatory conduct against a whistleblower that either files under the MMFCA or cooperates in an MMFCA lawsuit may entitle the whistleblower to additional relief, including reinstatement of employment, back pay and compensation for costs or damages.

4. **Revisions**

Corewell Health reserves the right to alter, amend, modify or eliminate this document at any time without prior written notice.

5. **References**

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- [Non-Retaliation Policy](#)
- [Public Law 109-171 \(Deficit Reduction Act of 2005\)](#)
- [The Federal Civil False Claims Act, Section 1902\(a\)\(68\) of the Social Security Act](#)
- [The Federal Civil False Claims Act, Section 3279 through 3733 of title 31 of the United States Code](#)
- [The Michigan Medicaid False Claims Act, Public Act 72 of 1977](#)
- [Priority Health Fraud, Waste and Abuse Policy](#)

6. Policy Development and Approval

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7. Keywords:

prevention, detection, fraud, waste, abuse, compliance, laws, false, claims, act, FCA, qui tam, whistleblower

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