

# **FALSE CLAIMS ACT**

## **Purpose**

To adhere to the Federal and NY State regulations of the False Claims Act.

## **Policy**

The City of Hornell Ambulance Service is committed to following the regulations set forth in the False Claims Act. The City of Hornell Ambulance Service's Compliance Program includes monitoring and auditing for compliance that helps prevent or detect errors in coding or billing.

- The City of Hornell Ambulance Service expects that our colleagues who are involved with creating and filing claims for payment for services that we provide will only use true, complete and accurate information to make this claim.
- The City of Hornell Ambulance Service expects that anyone with a concern about a False Claim at the City of Hornell Ambulance Service will use the Reporting Process immediately so that the City of Hornell Ambulance Service can investigate and correct any errors.
- The City of Hornell Ambulance Service's policy on non-retaliation protects our employees from adverse action when they do the right thing and report any genuine concern.
- The City of Hornell Ambulance Service will investigate any allegation of retaliation against an employee for speaking up, and will protect and/or restore rights to anyone who raised a genuine concern.
- The City of Hornell Ambulance Service's employees work hard to ensure that every claim for payment for the care we provide is correct and accurate, so that we do not violate the law, or break the trust we maintain with our patients and communities.

The federal False Claims Act (31 USC 3729-33) makes it a crime for any person or organization to knowingly make a false record or file a false claim with the government for payment. "Knowing" means that the person or organization:

- knows the record or claim is false, or
- seeks payment while ignoring whether or not the record or claim is false, or
- seeks payment recklessly without caring whether or not the record or claim is false.

Under certain circumstances, an inaccurate Medicare, Medicaid, VA, Federal Employee Health Plan or Workers' Compensation claim could become a False Claim. Examples of possible False Claims include someone knowingly billing Medicare for services that were not provided, or for services that were provided at substandard quality where the government would not pay. A person who knows a False Claim was filed for payment can file a lawsuit in Federal Court on behalf of the government and, in some cases, receive a reward for bringing original information about a violation to the government's

attention. Some states have a False Claims Act that allows a similar lawsuit in state court if a False Claim is filed with the state for payment, such as under Medicaid or Workers' Compensation. Penalties are severe for violating the federal False Claims Act. The penalty can be up to three times the value of the False Claim, plus from \$5,500 to \$11,000 in fines, per claim.

The federal False Claims Act protects anyone who files a False Claim lawsuit from being fired, demoted, threatened or harassed by his or her employer for filing the suit. An employee who was harmed by their employer for filing a False Claims lawsuit must file a lawsuit against their employer in Federal Court. If the employer retaliated, the court can order the employer to re-hire the employee, and to pay the employee twice the amount of back pay that is owed, plus interest and attorney's fees. This is the Whistleblower protection.

NY False Claims Act (State Finance Law §187-194). The NY False Claims Act closely tracks the federal False Claims Act. It imposes penalties and fines on individuals and entities that file false or fraudulent claims for payment from any state or local government, including health care programs such as Medicaid. The penalty for filing a false claim is \$6000-\$12,000 per claim and the recoverable damages are between two and three times the value of the amount falsely received. In addition, the false claim filer may have to pay the government's legal fees. The Act allows private individuals to file lawsuits in state court, just as if they were state or local government parties. If the suit eventually concludes with payment back to the government, the person who started the case can recover 25-30% of the proceeds if the government did not participate in the suit or 15-25% if the government did participate in the suit.

NY False Claim Act (State Finance Law §191)

The False Claim Act also provides protection to qui tam relators who are discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in terms and conditions of their employment as a result of their furtherance of an action under the Act. Remedies include reinstatement with comparable seniority as the qui tam relator would have had but for the discrimination, two times the amount of any back pay, interest on any back pay, and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys' fees.