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FRAUD, WASTE, AND ABUSE  
(FWA) PREVENTION AND  
COMPLIANCE PLAN

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2024

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## Introduction

Capitol Dental Care (CDC) is a Dental Care Organization (DCO) that operates in a complex, dynamic, and regulated healthcare environment. CDC's business involves an environment that is highly regulated at both the State and the federal level. CDC contracts with many of the state's Coordinated Care Organizations (CCOs) as a delegated entity to provide dental benefits to the CCOs' members on their behalf.

CDC is committed to ensuring that it operates under the highest ethical and moral standards and that its activities comply with applicable state and federal laws, rules and regulations, and policies. CDC's Annual Fraud, Waste, and Abuse (FWA) Prevention and Compliance Plan has been developed by the CDC Compliance Officer in accordance with state and federal rules and regulations as well as any related guidance that has been issued, and approved by the Compliance Committee.

The scope of the FWA Prevention and Compliance Plan may be expanded to cover new and revised areas of compliance. With this FWA Prevention and Compliance Plan, CDC seeks to promote full compliance with the terms and conditions outlined in Exhibit B Part 9 (Program Integrity) of the OHA CCO Contract as well as all State and federal laws, rules, regulations, and policies applicable to it; to foster and ensure ethical conduct; and to provide guidance to each workforce member and subcontracted entity of CDC for their conduct.

CDC follows the seven fundamental elements of an effective compliance program. Those elements include:

- Implementation and annual review of written policies, procedures, and code of conduct.
- Designating a Chief Compliance Officer and Compliance Committee (aka Regulatory Compliance Committee).
- Conducting effective training and education.
- Developing effective lines of communication.
- Conducting internal monitoring and auditing.
- Enforcing standards through well-publicized disciplinary guidelines.
- Responding promptly to detected offenses and undertaking corrective action.

CDC's Compliance Committee, including CDC's president, receives an annual compliance report from the Chief Compliance Officer describing the activities of the previous year and recommending any changes necessary to improve the Compliance Program. The Compliance Committee will review the compliance report and the Fraud, Waste, and Abuse Prevention and Compliance Plan along with other compliance efforts and will act on any suggested revisions necessary to improve the Compliance Program.

This Fraud, Waste, and Abuse Prevention and Compliance Plan is intended to prevent accidental and intentional noncompliance with applicable State and federal laws, rules, regulation, and policies; to help identify noncompliance if and when it occurs; to discipline those involved in noncompliant behavior; to timely remedy the effects of noncompliance; and to prevent future noncompliance.

As a "living document," the Fraud, Waste, and Abuse Prevention and Compliance Plan will be reviewed at least annually and updated as needed to keep CDC workforce members informed of the most current information available pertaining to applicable compliance requirements. The Chief Compliance Officer reserves the right to amend and update components of the Compliance Program, including the material

in the Compliance Plan, at any time to make changes based on regulatory guidance, enhancements to the program to improve effectiveness, or for any other reason.

## Compliance Plan

### Policy, Procedure, and Code of Conduct & Ethics

CDC has created numerous compliance policies and procedures that articulate the commitment to comply with State and federal rules and regulations. These policies and procedures are designed to help prevent noncompliance and fraud, waste, and abuse by providing guidelines for workforce members working in certain “at-risk” areas. Our compliance standards apply equally to all workforce members and subcontractors regardless of tenure or position in the organization.

It is the responsibility of each workforce member and subcontractor to become familiar with CDC’s policies and procedures and the CDC Code of Conduct & Ethics that apply to their day-to-day activities, and to comply with such policies and procedures at all times. In addition, acceptance of the CDC Code of Conduct & Ethics is a mandatory aspect of employment that must be reaffirmed annually by each workforce member of CDC.

CDC workforce members review current policies, procedures, and the Code of Conduct & Ethics for appropriate updates annually and will continue to develop new policies and procedures in response to changes in regulations, practice, and program changes. Particular attention will be paid to policies around:

- Fraud, Waste, and Abuse
- Confidentiality
- Intimidation and Retaliation
- Business Continuity / Disaster Recovery
- Sanctions and Noncompliance
- Risk Assessment
- Monitoring and Auditing
- Oversight of Delegated Entities

CDC maintains the highest level of professional and ethical standards in the conduct of its business. CDC places the highest importance on its reputation for honesty, integrity, and high ethical standards. The CDC Code of Conduct & Ethics is a reaffirmation of the importance of the highest level of ethical conduct and standards. These standards can be achieved and sustained only through the actions and conduct of all workforce members of CDC.

Each workforce member of CDC is obligated to conduct themselves in a manner to ensure the maintenance of these standards. Workforce members who ignore or disregard the standards of the Code of Conduct & Ethics are subject to appropriate administrative actions. Workforce members must be cognizant of all applicable State and federal rules and regulations that apply to and affect CDC.

Policies are created to provide guidance with State and federal rules, regulations, laws, and contractual obligations. CDC policies and procedures are stored in our Navex PolicyTech software platform, and accessible to all workforce members. Policies are also available upon request for whatever reason. CDC provides each subcontractor with a package containing CDC policies that pertain to their services. When

policies are updated, those policies are provided to the subcontractor in their updated package. Annually, subcontractors must attest to receiving the package or updated policies and reviewing all policies that pertain to them, including the CDC Code of Conduct & Ethics.

Annually, but no later than January 31<sup>st</sup> of each contract year, CDC finalizes the CDC Annual Fraud, Waste, and Abuse Prevention Plan & Compliance Plan and CDC Fraud, Waste, and Abuse Prevention Handbook making it available to our CCO Partners.

### *Designated Chief Compliance Officer and Compliance Committee*

CDC has identified a Chief Compliance Officer within the company as the head of its Compliance Program. The Chief Compliance Officer is charged with managing and overseeing compliance issues within the company; developing and implementing policies and procedures; creating the Annual Fraud, Waste, and Abuse Prevention Plan; and ensuring that the company is complying with regulatory requirements. This includes submitting information to appropriate bodies charged with the responsibility of operating and monitoring the Fraud, Waste, and Abuse Program as necessary.

The Chief Compliance Officer is responsible for ensuring that the Compliance Program is effective and efficient in identifying, preventing, detecting, and promptly and thoroughly correcting noncompliance with applicable State and federal laws, rules, regulations, and policies. The Chief Compliance Officer reports directly to the CDC's President (Chief Executive Officer) and Board of Directors and functionally to the CDC Compliance Committee, which the Chief Compliance Officer chairs.

The CDC Compliance Committee is chartered by the CDC President to assist in fulfilling fiduciary responsibilities relating to oversight of the development and operation of the Compliance Program as well as providing assistance to and overseeing the Compliance Program; the Fraud, Waste, and Abuse Program; and the activities of the Chief Compliance Officer. The Committee shall be primarily responsible for overseeing, monitoring, and evaluating CDC's compliance with all State and federal regulatory and contractual obligations.

### *Training and Education*

The purpose of the training and education program is to ensure that workforce members, subcontractors, and other individuals that function on behalf of CDC are fully capable of performing their work in compliance with State and federal laws, rules and regulations, and policies.

#### *New Employee Training*

All workforce members are trained on the requirements of CDC's Compliance Program at the time of hire, including Fraud, Waste, and Abuse. Workforce members acknowledge that adherence to program requirements (as well as periodic revisions or updates) and CDC's Code of Conduct & Ethics is a condition of their continued employment with CDC.

### *Ongoing Training and Education*

Ongoing department and organization-wide education is provided to all employees, senior management, and executive leadership, which addresses the requirements of the Compliance Program and key areas of regulatory compliance. Examples of organization-wide education includes fraud, waste, and abuse; the False Claims Act; whistleblower reporting and retaliation; HIPAA privacy and security; and code of conduct.

Education is provided by the Chief Compliance Officer, department managers, online trainings, as well as through written articles, attendance at outside educational conferences, company newsletters, and by other means. Emphasis is given to education and training for workforce members who are responsible for key compliance areas including regulatory compliance; HIPAA; fraud, waste, and abuse; quality; coding and billing; auditing; and contracts.

Participation in training and education on the part of the workforce members is logged, and the documentation is maintained and, on request, provided to the Chief Compliance Officer. Failure to comply with internal or external compliance training requirements may result in administrative action up to and including possible termination of employment.

The Chief Compliance Officer is responsible for sharing information about new legal and regulatory requirements within the organization and with the Compliance Committee.

### *Effective Lines of Communication*

One function of the Compliance Program is to proactively identify issues and prevent compliance problems from developing. Policies and procedures are in place to ensure that workforce members, subcontractors and members of CDC know about the various communication channels they may use to express compliance concerns.

CDC has established options for workforce members, community members, subcontractors, and its members to report concerns if they do not feel comfortable reporting within the company. A toll-free Compliance & Ethics Hotline is available to receive reports of potential or suspected noncompliance or misconduct. Workforce members, subcontractors, and members may call:

**Capitol Dental Care Compliance & Ethics Hotline  
(844) 688-0097**

All workforce members are responsible for promptly realizing concerns about any possible or suspected noncompliance violation of any program requirement or of CDC's policies and procedures. CDC employees are encouraged to discuss with their manager and compliance specialist or the Chief Compliance Officer any questions or concerns they may have. They also have the option to report anonymously to the CDC Compliance & Ethics Hotline.

Reporters to the Compliance & Ethics Hotline may choose to remain anonymous, although they are encouraged to provide as much information as possible so that reports can be properly investigated. CDC's parent company, InterDent is notified of any reports, and CDC is subsequently notified as appropriate. The Chief Compliance Officer investigates the report, and all records are maintained for a period of no less than 10 years. Reporters who call the Compliance & Ethics Hotline to make a report in good faith of potential or suspected misconduct shall not be subjected to intimidation or retaliation. The

CDC grievance and appeal resolution process also protects the anonymity of complaints, when desired, and protects the reporter from retaliation or intimidation (see CDC Grievance System Policy).

All questions and reports to the CDC Compliance & Ethics Hotline are kept confidential to the highest extent possible. The Chief Compliance Officer will disclose questions and reports on a “need to know” basis, except as required by law. Because CDC limits access to the information available in the report to those employees who need it, it significantly curtails retaliation and or intimidation to those who file complaints or grievances.

Similarly, if a reporter chooses to identify himself or herself, the Chief Compliance Officer will keep the reporter’s identity confidential and disclose the reporter’s identity only on a “need to know” basis, except as required by law. In general, “need to know” means that disclosure will be made only to the extent necessary to allow for a full investigation or reports of suspected misconduct and for the implementation of any appropriate corrective actions and administrative or disciplinary sanctions.

CDC’s Chief Compliance Officer has a formal “open door policy” with employees who have questions or concerns related to compliance or operations. The CDC Chief Compliance Officer participates on CDC operational, UM and quality committees in an effort to maintain transparency, communication, and to interface with subcontractors while promoting a culture of compliance and ethics.

## Member Appeal and Grievance Process

### *Grievances*

CDC provides all members with a meaningful process to express any dissatisfaction the member has for the dental plan, its providers, or its delegated entities. Members or their representatives are provided written information about the grievance and appeal procedures available to them through CDC. Members, their representatives, and/or a provider on behalf of the member may file a grievance at any time, either orally or in writing, to CDC or to the OHA.

Verbal complaints that are not resolved to the member’s satisfaction at the customer service level, grievances received in writing, and complaints that do not involve a Plan Organizational Determination are loaded into the tracking system immediately upon receipt. If the complaint is a standard grievance, the member or their representative is notified of the resolution within 5 days from the date of receipt of the complaint. If a resolution has not been met, and more information needs to be gathered, the member is notified in writing that a delay in the decision of up to 30 days from the date the complaint was received is necessary to resolve the grievance. CDC specifies the reason additional time is needed. At this time, the member is given the opportunity to present any additional information related to the issue, either in person or in writing.

The appropriate department or facility is notified of the complaint and information regarding the grievance is gathered and documented. CDC reviews all grievances in accordance with the facts presented and are handled on a case-by-case basis.

A Grievance Resolution letter is sent to the member as expeditiously as the case requires based on the member’s health status, but no later than 30 calendar days after the receipt date of the oral or written grievance. The written notice restates the grievance, addresses each aspect of the grievance, and explains the reason for the decision. If a grievance involved a quality of care concern, it is forwarded to the CDC Medical Director for further action if necessary. It may also be sent to the Credentialing

Department for review. All grievances relating to quality of care are reviewed by CDC's Quality Improvement Committee for appropriate resolution.

If the member is not satisfied with the outcome of the grievance, they are notified of their right to contact the Governor's Advocacy Office in the resolution letter. Grievances are monitored on at least a quarterly basis for trends in quality, access to, or delivery of healthcare services.

CDC is dedicated to protecting members and those individuals who file a grievance on behalf of a member from retaliation of any kind throughout the grievance process. Grievances are handled by a limited number of staff, only those individuals who need access to the grievance investigation information.

### *Appeals*

When a request for services or payment for services is denied by CDC, either in whole or in part, the member is mailed a Notice of Adverse Benefit Determination (NOABD) letter explaining the reason for the denial, the appeal timelines and procedure, and the hearing timelines and procedure. Information regarding a member's right to file an appeal and/or hearing is included in the notice. CDC includes the Denial of Service or Treatment (OHP 2405) form; CDC's Notice of Nondiscrimination; and the Appeal and Hearing Request (OHP 3302) form with each NOABD.

Preauthorization or referral request decisions are made within 14 days of the request. If denied, the NOABD is completed and mailed within two days of the decision, but no later than 14 days from the date the request for services were received. The requested service, reason for the denial, and complete appeal rights and expedited appeal process information, as well as complete hearing rights and expedited hearing process information is included in the NOABD.

All appeals must be filed within 60 days of the NOABD and may be done verbally or in writing. Within five days of receiving the appeal request, a confirmation letter is sent to the member notifying them that the appeal has been recorded and entered into the appeal process. This letter also includes information about the steps in the appeal process. The member is given the opportunity to present additional information related to the issue in person or in writing. Members may withdraw any appeal request in writing at any time.

Facts concerning the appeal are established and information necessary to review the case is gathered. This may include new chart notes that were not previously available during initial review. This information is sent for medical review. A person not involved in making the initial organizational determination reviews the completed file (typically the Dental Director). Additional information or a second opinion may be requested to ensure careful review of the case. The CDC Dental Director will review the file for final adjudication.

All decisions are made as expeditiously as the member's health requires or not to exceed 14 days from the original receipt date of the appeal. If the decision cannot be made within 14 days from receipt, CDC may request an extension from OHA to extend the timeline an additional 14 days, as long as the member may benefit from the extension and is notified within two (2) days of CDC's intent with the reason for the delay. If the appeal is upheld in whole or in part, the member is notified in writing that the decision was upheld and of their right to file for a hearing with OHA. If the original denial was



overturned, the member is notified, and actions are taken by CDC as a result of the overturned denial are completed.

If the appeal has been expedited, the member will first be notified orally and receive a written notification of the decision within 72 hours from the original receipt.

CDC maintains all appeal and grievance documents and records for at least ten (10) years.

### Exclusion Management

CDC does not employ or contract with persons or entities that are currently suspended, debarred or otherwise excluded from participating in the Medicare/Medicaid programs, as detailed in the InterDent Exclusion Screening Policy. Should CDC identify any providers during the credentialing/recredentialing process who have been identified as being excluded on the OIG LEIE and/or SAM exclusion lists, the identified providers are not credentialed/recredentialed with CDC, contracts are terminated, and the individuals are immediately reported to the Federal Department of Health and Human Services, Office of the Inspector General, and OHA as required. CDC monitors on a monthly basis its employees, vendors, and others as appropriate for exclusion. CDC staff are educated at hire and annually on exclusion checks and not employing sanctioned individuals, including employees, subcontractors, and ancillary contractors.

CDC provides notice to our CCO partners within 30 days of receiving information about any changes in a network provider's circumstances that may affect the eligibility for that provider to participate in the managed care program. This includes termination of a provider agreement or exclusion information.

### Auditing and Monitoring

Ongoing auditing and monitoring are an essential part of any effective compliance program. For CDC's Compliance Program to be successful and effective, auditing and monitoring are necessary to test and verify compliance with federal and State laws and regulations, and with CDC's standards, policies, and procedures. The nature of CDC's reviews, as well as the extent and frequency of compliance monitoring and auditing, varies according to a variety of factors, including new regulatory requirements, changes in business practices, and other compliance considerations. CDC continues to identify new and emerging risk areas and address these risks.

An audit is typically a more formal review of compliance with a particular set of internal (CDC compliance policies, for example) or external (federal and State laws and regulations) standards or requirements. Internal and external compliance audits may focus on the effectiveness of the Compliance Program, in general, or may target specific issues or particular clinical or business operations or practices.

Monitoring refers to reviews that are repeated on a regular basis during the normal course of operations. Monitoring activities may be part of a corrective action plan to demonstrate that remedial steps continue to be effective. Monitoring may also be initiated to confirm and document ongoing compliance when no specific problems have been identified.

An annual Compliance Work Plan is developed to audit and monitor compliance with applicable key deferral and State laws and regulation, policies, and procedures. Potential compliance problems identified in the course of auditing and monitoring, including FWA issues, will be promptly addressed

and investigated, as necessary. The CDC Compliance Work Plan shall be approved, implemented, and reviewed by the Compliance Committee.

The work plan can include, but is not limited to, the following:

- Audits/Monitoring scheduled for the year, including start and end dates;
- Audit/monitoring methodology;
- Necessary resources;
- Types of audit: desk or onsite; internal or external;
- Follow-up activities from findings; and
- Process for responding to results and conducting follow-up reviews of noncompliance to determine if the corrective actions are successful.

### Enforcement Standards through Well Publicized Disciplinary Guidelines

CDC publicizes disciplinary guidelines to enforce CDC's Code of Conduct & Ethics, CDC policies and procedures, and other aspects of the CDC Compliance Program.

CDC workforce members are expected to conduct activities in conformance with federal and State regulatory requirements, the CDC Compliance Program, and internal policies and procedures. Workforce members at all levels within the organization, regardless of position or tenure, who fail to meet this standard are subject to disciplinary action, up to and including termination of employment. Enforcement is conducted through sanctions for noncompliant behavior, dealing consistently and appropriately with violations, and implementing and following up with corrective action plans.

Intentional or reckless noncompliance will subject the transgressor to more significant sanctions than unintentional noncompliance or honest mistakes. Administrative action will be taken on a fair and equitable basis and will be applied in an appropriate and consistent manner.

To deter incidents of unethical or noncompliant behavior (including FWA violations) by CDC workforce members, potential consequences of noncompliance are discussed at the time of new employee orientation. Noncompliance and FWA reporting contact information are in CDC policies and procedures and are in common areas of CDC workspaces and is posted on the company's internet site.

CDC requires all workforce members and subcontractors to report and disclose issues that may be deemed an actionable activity, such as a compliance or FWA issue. Workforce members and subcontractors are also expected to assist in the investigation and resolution of these issues. Failure to report a compliance issue may result in corrective actions, up to and including termination of employment or contract.

Following an investigation that confirms a CDC workforce member has violated one or more of the elements of the Code of Conduct & Ethics and/or provision of the CDC Compliance Program, disciplinary action will be taken. In order to be effective, disciplinary standards are maintained to ensure that people who commit a compliance or FWA violation are subject to appropriate corrective actions.

All acts of discipline will include consultation with Human Resources prior to final action in order to facilitate timely, consistent, and effective enforcement of the Code of Conduct & Ethics and/or a provision on the CDC Compliance Program when noncompliance or unethical behavior is determined.

## Responding Promptly to Detected Offenses and Undertaking Corrective Action

All reports of suspected improper conduct; noncompliance; and/or fraud, waste, or abuse are investigated promptly and thoroughly by CDC's Compliance Department, under the direction of the Chief Compliance Officer. Every effort is made to maintain the confidentiality of reports of potential violations and concerns about fraudulent, illegal, or noncompliant behavior; however, there may be a point where the identity of the person filing the report may become known or may have to be revealed in the course of the investigation or to take corrective action.

Claims of noncompliance and fraud, waste, or abuse are directed to CDC's Chief Compliance Officer, regardless of the point of entry (e.g., confidential hotline, email, phone call, mail, etc.). Upon receipt of any compliance or FWA complaint, the Compliance Department, or workforce member instructed by the Compliance Department, makes a log of the complaint. The Chief Compliance Officer initiates an investigation, either individually or assignment to a designated workforce member, within two weeks of receipt of the reported potential violation. Depending on the type of reported activity, the investigator contacts all appropriate parties, such as relevant workforce members or staff at subcontractors, regulatory or law enforcement agencies, directors, executive staff, general counsel, members, and/or the Human Resources Department. All investigative assignments are recorded and documented. Following analysis of all documentation, data, medical records, and interviews, the investigator presents all information to the Chief Compliance Officer who then determines the findings of the investigation, including whether the allegation of noncompliance or fraud, waste, or abuse are confirmed. The Chief Compliance Officer confers with the Compliance Committee and executive leadership to determine any corrective actions and/or sanctions to impose. In the case of employee issues, HR will also be involved in determining the appropriate disciplinary action, if any. When a compliance investigation results in the identification of an issue, the Chief Compliance Officer will ensure the issue is reported timely to the appropriate personnel, and if appropriate, to appropriate State (such as the OHA, PIAU, or MFCU) and federal entities.

The responsibility for the development of a corrective action plan is that of the subcontractor or the director/manager of the identified department, with oversight by CDC's Compliance Committee or Chief Compliance Officer. Assistance from CDC's Chief Compliance Officer and other CDC compliance staff with the development of a corrective action plan may be solicited by the department director/manager or subcontractor as appropriate. The Chief Compliance Officer may seek guidance from the CDC Compliance Committee, CDC Director of Operations, CDC President and Chief Executive Officer, legal counsel, or other appropriate individuals.

Corrective action plans shall be designed to ensure not only correction of the specific issues but to ensure that preventive measures are in place to guard against subsequent recurrences. Corrective action may require additional training, reassignment of duties or functions, personnel action, terminating contractual relationships, repayment, or external disclosure to the appropriate oversight body of the risk issue and action taken. Information about progress of a corrective action plan is reported on an agreed upon schedule to, and monitored by, the Chief Compliance Officer and/or CDC Compliance Department.

If an investigation finds that any noncompliance act has been willful, that finding will be reported to the President and Chief Executive Officer, Chief Compliance Officer, and Compliance Committee. Workforce members and subcontractors who have engaged in willful misconduct will be subject to sanctions

and/or administrative action, including consideration of termination of employment or contract for services, respectively.

The corrective action plans shall be maintained in a secured electronic file for at least ten (10) years. The corrective action plans will be used as historical reference tools.

## Fraud, Waste, and Abuse

### Prevention and Detection of FWA

CDC maintains a comprehensive Fraud, Waste, and Abuse Program with accountability through a Fraud, Waste, and Abuse (FWA) Policy and this Compliance and FWA Prevention Plan. The policy is shared with workforce members and subcontractors that are required to have similar programs. The policy includes provision for the use of monitoring, auditing, and the investigative process to prevent and detect potential, suspected, or actual FWA.

CDC is and remains committed to the detection, prevention, investigation, and reporting of potential healthcare fraud, waste, and abuse and following and upholding State and federal statutes and regulations pertaining to fraud, waste, and abuse. The program also addresses fraud prevention and the education of appropriate employees, subcontractors, providers, and others doing business with CDC.

CDC has staff dedicated to implementing the Annual FWA Prevention Plan. CDC has an appointed full time Chief Compliance Officer charged to develop, implement, and oversee compliance effectiveness, the Compliance Plan, and the FWA Program. A Compliance Support employee assists in this effort and reports to the Chief Compliance Officer. The Chief Compliance Officer reports to the CDC President (Chief Executive Officer). CDC's Compliance Committee has been developed with a charter of responsibilities. Members of CDC's senior leadership, including the Chief Compliance Officer, are members of the Compliance Committee.

The Compliance Department has dedicated staff for routine monitoring and auditing of compliance risks who respond to and investigate compliance issues as they emerge from external or internal evaluations or audits. As appropriate, any potential fraud investigation is shared with appropriate regulatory or law enforcement agencies (CDC Fraud, Waste, and Abuse Policy).

The following areas are monitored due to risk assessments identifying them as potential problem areas:

- Claims;
- Verification of Services (VOS);
- Quality review; and
- Credentialing/re-credentialing

### External Reporting of Suspected FWA

CDC is obligated to report to the Department of Justice's Medicaid Fraud Control Unit (MFCU) and the OHA Program Integrity Audit Unit (PIAU), regardless of the suspicions or lack thereof, an incident with any of the following characteristics:

- Providers, CCOs/DCOs, or subcontractors intentionally or recklessly:
  - reporting encounters of services that did not occur, or where products were not provided;

- reporting overstated or up-coded levels of service;
- billing CDC more than the usual charge to non-Medicaid recipients or other insurance programs;
- submitting a claim for payment when such party knows the claim
  - has already been paid by CDC or
  - has already been paid by another source;
- balance-billing a member the difference between the total Fee-for-Service charge and CDC's payment to the provider, in violation of applicable law;
- making false statements about the credentials of persons rendering care to members; or
- misrepresenting information to justify referrals to other networks or out-of-network providers when such parties are obligated to provide the care themselves.
- Providers, CCOs/DCOs, or subcontractors intentionally failing to render appropriate covered services that they are obligated to provide to members under their CDC contract, any subcontract with CDC, or applicable law.
- Providers, CCOs/DCOs, or subcontractors altering, falsifying, or destroying clinical records for any purpose, including, without limitation, for the purpose of artificially inflating or obscuring such provider's own compliance rating or collecting Medicaid payments otherwise not due. This includes any intentional misrepresentation or omission of fact(s) that are material to the determination of benefits payable or services which are covered or should be rendered, including dates of services, charges or reimbursements from other sources, or the identity of the member or provider.
- Providers, CCOs/DCOs, or subcontractors knowingly charging members for services that are covered services.
- Any case of theft, embezzlement or misappropriation of Title XIX or Title XXI program money.
- Any practice that is inconsistent with sound fiscal, business, or dental practices, and that:
  - results in unnecessary costs,
  - results in reimbursement for services that are not dentally necessary, or
  - fails to meet professionally recognized standards for healthcare.
- Evidence of corruption in the enrollment or disenrollment process, including effort of CDC employees, State employees, CCOs/DCOs, or subcontractors to skew the risk of unhealthy members or potential members toward or away from CDC or any other CCO/DCO.
- Attempts made by any individual, including CDC's employees, providers, subcontractors, other CCOs/DCOs, State employees, or elected officials to solicit kickbacks or bribes.

All suspected provider-related (including subcontractors, employees, providers, or other third-parties) fraud, waste, and abuse, including potential provider overpayments, must be reported by CDC to the following units no later than seven (7) days after being made aware of the suspicious case:

**Medicaid Fraud Control Unit  
Oregon Department of Justice  
100 SW Market Street  
Portland, OR 97201  
Phone: 971-673-1880  
Fax: 971-673-1890**

**OHA Program Integrity Audit Unit  
3406 Cherry Ave. NE  
Salem, OR 97303-4924  
Phone: 503-378-8113  
Fax: 503-378-2577  
Hotline: 1-888-FRAUD01 (888-372-8301)**

Suspected cases of member-related fraud are reported by CDC to the following unit no later than seven (7) days after being made aware of the suspicious case:

**DHS Fraud Investigations Unit  
PO Box 14150  
Salem, OR 97309  
Hotline: 1-888-FRAUD01 (888-372-8301)  
Fax: 503-373-1525 Attn: Hotline**

CDC is dedicated to assisting these units to its full ability to combat fraud, waste, and abuse by fully cooperating in good faith with the MFCU and PIAU, or their designees, in any investigation or audit relating to fraud, waste, and abuse. CDC is committed to this in the following ways:

- Providing copies of reports or other documentation requested by MFCU, PIAU, and/or their respective designees. All reports requested or required are provided by CDC with no cost to the MFCU, PIAU, or their respective designees.
- Permitting MFCU, PIAU, and/or their respective designees to inspect, evaluate, or audit books, records, documents, files, accounts and facilities maintained by or on behalf of CDC as such parties may determine is necessary to investigate any incident of fraud, waste, and abuse.
- Cooperate in good faith with the MFCU, PIAU, as well as their respected designees, or any or all of them, during any investigation of FWA.
- In the event that CDC reports fraud, waste, and abuse by a subcontractor, provider, member, or other third party of CDC, or learns of a MFCU or PIAU investigation, or any other fraud, waste, and abuse investigation undertaken by any other governmental entity, CDC and employees privileged to the related information are strictly prohibited from notifying, or otherwise communicating with such parties regarding the report or investigation.

In accordance with the CDC FWA Prevention Plan CDC provides its CCO partners with quarterly and annual reports of all audits performed using the FWA report template.

- The Annual FWA Audit Report includes information on any provider overpayments recovered, the source of the recovery, and any sanctions or corrective actions imposed by CDC on

subcontractors or providers. This report is due on the date outlined in each CCO contract year. The quarterly FWA Audit Report is due no later than thirty (30) days following the end of each quarter, or as required by the CCO partner.

- CDC's Annual FWA Audit report includes information on any Provider overpayments that were recovered, the source of the Provider overpayment recovery, and any sanctions or corrective actions imposed by CDC on its subcontractors or providers.
- The annual FWA Referrals & Investigations Report is due to the CCO as outlined by that CCO partner. Using the FWA report template provided, CDC provides an annual summary report of referrals and cases investigated.

If a credible allegation of fraud has been made against CDC, CCOs have the right to suspend, in whole or in part, payments made to CDC. In the event the CCO determines that a credible allegation of fraud has been made against CDC's subcontractors, the CCO will also have the right to direct CDC to suspend, in whole or in part, the payment of fees to any and all such subcontractors. Suspension of payments or other sums may be temporary. CCOs have the right to forgo suspension and continue making payments, or refrain from directing CDC to suspend payment of sums to its subcontractors, if certain good cause exceptions are met, which may include any of the following, as provided for under 42 CFR §455.23(e):

- Law enforcement officials specifically request a payment suspension not be imposed so as not to compromise or jeopardize an investigation.
- Other available remedies implemented to more effectively or quickly protect Medicaid funds.
- The CCO determines, based on the submission of written evidence by the individual or entity that is the subject of the payment suspension, that the suspension should be removed.
- Member access to items or services would be jeopardized by a payment suspension due to:
  - The individual or entity is the sole community physician or sole source of essential specialized services in a community.
  - The individual or entity serves a large number of members within a HRSA-designated medically underserved area.
- Law enforcement declines to certify that a matter continues to be under investigation.
- CCO determines that payment suspension is not in the best interests of the Medicaid program.

If the CCO determines a credible allegation of fraud has been made against a subcontractor, CDC must cooperate with the CCO to determine whether sums otherwise payable by CDC to the contractor must be suspended or whether good cause exists not to suspend such payments.

### Provider Overpayment and/or Recoupment

Providers who were reimbursed for services that were not performed, or that were performed in excess of what was authorized, or services and activities that were performed outside the existing requirements/limitations, are subject to recoupment of funds as overpayment.

Network providers, subcontractors, and third parties must report overpayments to CDC and return any overpayment within 60 calendar days after the date on which the overpayment was identified, regardless of whether the overpayment was the result of fraud, waste, and abuse, or an accounting error. If the identification of the overpayment was the result of self-reporting to CDC by a provider, subcontractor, or third party, CDC must report the overpayment to OHA within 60 days of the provider's, subcontractor's or third party's identification of such overpayment. If an overpayment is

identified by CDC as a result of an audit or investigation, the overpayment is promptly reported to the CCO, no more than seven (7) days after identification. CDC requires that providers notify CDC in writing the reason for the overpayment.

The CDC Fraud, Waste, and Abuse Policy outlines the channels of reporting CDC takes to report overpayments and recoupments that have been identified as potential fraud. Reports of provider recoupment of overpayments or the identification of provider overpayments due to fraud must be made timely, as outlined above, to OHA's Program Integrity Audit Unit and/or the Department of Justice's Medicaid Fraud Control Unit and included on the quarterly and annual Exhibit L financial report. CDC's Compliance and Finance departments work closely together to ensure that proper and accurate reporting is documented within the identified reports.

### Verification of Services

CDC routinely monitors whether services that have been represented to have been delivered by network providers were received by members. PH Tech, on behalf of CDC, generates verification of service (VOS) letters to a sample group of members. Information is populated from the Community Integration Manager (CIM) to include on the VOS letter the services rendered, name of the service provider, amount of the payment and date of the service. Members are informed of the purpose of the letter and how to notify customer service if they dispute the information included within the VOS letter. If disputed, customer service notifies CDC's Compliance Department for follow up.

CDC's follow-up process includes requesting clinical records for the member disputing services. The request is made for the specific services and listed date of service on the VOS. If CDC has not received records in two weeks, a follow-up letter is mailed. If no records are received following two letters, a request for repayment for the services in question is made. Any recoupment is reported to OHA within 60 days, as well as on CDC's quarterly and annual Exhibit L financial reports.

### Fraud, Waste, and Abuse Training Requirements

CDC requires that each employee participate in annual compliance training, which includes general compliance, FWA and HIPAA training. Training is offered at least annually to employees and executive leadership. Additionally, this training is offered to new employees within 90 days of hire. CDC's FWA training includes information on identifying FWA, how to prevent FWA, reporting mechanisms and responsibilities, and whistleblower protections pursuant to Section 1902(a)(68) of the Social Security Act and 15 U.S.C §2087.

### Applicable Federal Laws & Regulations

CDC workforce members are expected to comply with the following laws and regulations and failure to do so will be deemed noncompliance with such requirements. Information pertaining to these laws and how to report suspected noncompliance with these laws is included in the InterDent Employee Handbook.

#### False Statements Relating to Healthcare Matters (18 U.S.C. §1035)

CDC workforce members shall not knowingly and willfully make or use any false, fictitious, or fraudulent statements, representations, writings, or documents regarding a material fact in connection with the delivery of or payment for healthcare benefits, items, or services. No CDC workforce members shall knowingly or willfully falsify, conceal, or cover up a material fact by any trick, scheme, or device.



## False Claims (31 U.S.C. §3729(a))

CDC workforce members shall not:

- Knowingly file a false or fraudulent claim for payments to a governmental agency or healthcare benefit program;
- Knowingly use a false record or statement to obtain payment on a false or fraudulent claim from a governmental agency or healthcare benefit program; or
- Conspire to defraud a governmental agency or healthcare benefit program by attempting to have a false or fraudulent claim paid.

## Criminal False Claims Act (18 U.S.C. §286, 287)

CDC workforce members shall not knowingly make any false, fraudulent, or fictitious claim against a governmental agency or healthcare benefit program. Conspiring to defraud a governmental agency or healthcare benefit program is also prohibited.

## Criminal Wire and Mail Fraud (18 U.S.C. §1341, 1434)

CDC workforce members shall not devise a scheme to defraud a governmental agency or healthcare benefit program, which uses the U.S. Postal Service, private postal carriers, wire, radio, or television to perpetrate the fraud. This includes any writing, signs, signals, pictures, or sounds for the purpose of executing such scheme or artifice.

## Criminal False Statement Act (18 U.S.C. §1001)

CDC workforce members shall not knowingly and willfully falsify or make any fraudulent, false, or fictitious statement against a governmental agency or healthcare benefit program.

## Theft or Embezzlement in Connection with Healthcare (18 U.S.C. §669)

CDC workforce members shall not embezzle, steal, or otherwise, without authority, convert to the benefit of another person, or intentionally misapply money, funds, securities, premiums, credits, property, or other assets of a healthcare benefit program.

## Obstruction of Criminal Investigations of Healthcare Offenses (18 U.S.C. §518)

CDC workforce members shall not willfully prevent, obstruct, mislead, delay, or attempt to prevent, obstruct, mislead, or delay the communication of information or records relating to a violation of a federal healthcare offense to a criminal investigator.

## Criminal Conspiracy (18 U.S.C. §371)

CDC workforce members shall not conspire to defraud any governmental agency or healthcare benefit program in any manner or for any purpose.

## Money Laundering Acts (18 U.S.C. §1956)

CDC workforce members shall not use any income obtained from mail or wire fraud to operate any enterprise. In addition, CDC workforce members shall not use the proceeds of wire or mail fraud in financial transactions, which promote the underlying fraud.

## Healthcare Fraud (18 U.S.C. §1347)

CDC workforce members shall not knowingly or willfully execute or attempt to execute, in connection with the delivery of, or payment for, healthcare benefits, items or services, a scheme or artifice to:

- Defraud any healthcare benefit program; or
- Obtain, by means of false or fraudulent pretense, representation, or promise any of the money or property owned by or under the custody or control of any healthcare benefit programs.

### Laws Applicable to Recipients of Federal Funds

CDC will not knowingly, or willfully, fail to comply with laws that prohibit discrimination in programs, activities and facilities that receive federal funds. Among the laws CDC will comply with are:

- Title VI of the Civil Rights Act of 1964 (and pertinent regulations at 45 CFR §84);
- 504 of the Rehabilitation Act of 1973;
- The Age Discrimination Act of 1975 (and pertinent regulations at 45 CFR §91); and
- The Americans with Disabilities Act

CDC will inform all related subcontractors that payments they receive are, in whole or in part, from federal funds. CDC provider contracts will advise providers of their obligations regarding laws applicable to recipients of federal funds.

### Whistleblower Protection (15 U.S.C. §2087)

CDC will not discharge a workforce member or otherwise discriminate against a workforce member with respect to compensation, terms, conditions, or privileges of employment because the employee, whether at the employee's initiative or in the ordinary course of the employee's duties (or any person acting pursuant to a request of the employee):

- Provided, caused to be provided, or is about to provide or cause to be provided to the employer, the federal government, or the attorney general of a State information relating to any violation of, or any act or omission the employee reasonably believes to be a violation of any provision of this chapter or any other Act enforced by the Commission, or any order, rule, regulation, standard, or ban under any such Acts;
- Testified or is about to testify in a proceeding concerning such violation;
- Assisted or participated or is about to assist or participate in such a proceeding; or
- Objected to, or refused to participate in, any activity, policy, practice, or assigned task that the employee (or other such person) reasonably believed to be in violation of any provision of this chapter or any other Act enforced by the Commission, or any order, rule, regulation, standard, or ban under any such Acts.

A person who believes that she or she has been discharged or otherwise discriminated against by any person in violation may, no later than 180 days after the date on which such violation occurs, file (or have any person file on his or her behalf) a complaint with the Secretary of Labor alleging such discharge or discrimination and identifying the person responsible for such act.