

ANTI-FRAUD POLICY

Effective Date: **October 1, 2017**

SCHRA requires compliance with the requirements of federal and state laws that prohibit the submission of false claims in connection with federal funded programs, including Medicare and Medicaid. Every SCHRA employees must receive the information set forth in this policy.

Federal and state governments have adopted a number of statutes to deter and punish misrepresentations with regard to federal and state funded programs. Failure to comply with these laws could result in civil and criminal sanctions imposed on individuals and SCHRA's subsidiaries by government entities. In addition to sanctions imposed by the government, employees' noncompliance with this policy (and any state or federal law designed to detect and prevent fraud, waste and abuse) may result in discipline up to and including termination of employment.

- **Federal False Claims Act:** The federal False Claims Act prohibits knowingly submitting (or causing to be submitted) to the federal government a false or fraudulent claim for payment or approval. It also prohibits knowingly making or using (or causing to be made or used) a false record or statement to get a false or fraudulent claim paid or approved by a state Medicaid program, the federal government or its agents, such as a carrier or other claims processor. Civil penalties can be imposed on any person or entity that violates the federal False Claims Act, including monetary penalties of \$5,500 to \$11,000 as well as damages of up to three times the federal government's damages for each false claim.
- **Federal Fraud Civil Remedies:** The Program Fraud Civil Remedies Act of 1986 also allows the government to impose civil penalties against any person who makes, submits or presents false, fictitious or fraudulent claims or written statements to designated federal agencies, including the U.S. Department of Health and Human Services, which is the federal agency that oversees the Medicare and Medicaid Programs.
- **State False Claims Acts:** The State of Tennessee Medicaid False Claims Act False Claims TN Code (71-5-182) has enacted broad false claims laws modeled after the federal False Claims Act.
- **Whistleblower and Whistleblower Protections:** The federal False Claims Act and the State of Tennessee's False Claims Act permit individuals with knowledge of fraud to inform the proper authorities and these individuals must not be retaliated against for reporting fraud

Managers Responsibilities

Managers must inform their employees that the SCHRA does not tolerate or condone activities that result in or contribute to the submission of false claims to any federal or state funded programs, including Medicare and Medicaid, and a manager must take appropriate action if he or she learns about possible fraudulent or abusive activities.

I hereby acknowledge review, receipt and understanding of the SCHRA Anti-Fraud Policy, above.