



BAPTIST HEALTH®

Policy		
Category Compliance Legal	Orig. Effective Date 1.1.2007	Revised & Effective 8.27.2007 6.1.2013 7.22.2016
Policy # 2364.9	Pages 4	10.1.2016 7.27.2018 9.1.2020 9.1.2021

TITLE/SUBJECT	<i>False Claims Act Information</i>
----------------------	-------------------------------------

PURPOSE

The following policy applies to all facilities owned and operated by Baptist Healthcare System, Inc. [BH] and describes BH’s commitment to comply with federal and state false claims laws and provides information about:

1. The Federal False Claims Act.
2. Kentucky and Indiana laws and regulations related to filing false claims under the Medicaid program.
3. BH policies and procedures for detecting and preventing fraud, waste and abuse.
4. Protection of employees against retaliation for reporting compliance concerns and potential false claims.

Through publication and distribution of this policy, BH will ensure that all employees, including management and contractors and agents, are educated regarding federal and state false claims laws and regulations and their purpose in preventing and detecting fraud, waste and abuse in federal health care programs.

SCOPE

Employees, medical staff members, allied health practitioners, and vendors for Baptist Healthcare System, Inc. [BH] hospitals, Baptist Health Medical Group [BHMG], and all entities or affiliates of which BH is the sole member.

AUTHORIZATION

Chief Executive Officer

POLICY

As stated in the BH Standards of Conduct, the business of BH will be conducted according to all applicable federal, state and local laws. BH requires employees, volunteers, medical staff members, vendors or other business partners to:

BH hospitals include: Baptist Health Corbin, Baptist Health Floyd, Baptist Health Hardin, Baptist Health La Grange, Baptist Health Lexington, Baptist Health Louisville, Baptist Health Paducah, and Baptist Health Richmond.

- Perform responsibilities and conduct business in a manner to avoid conflicts of interest.
- Bill only for services and items actually provided and maintain complete and accurate medical and billing records.
- Comply with the BH Corporate Responsibility Program (located under the Compliance link on the BH website).
- Become aware of the laws regarding fraud and abuse and false claims.
- Seek guidance and advice regarding billing and compliance issues.
- Contact one of the following resources if you have any knowledge or concern regarding a potential false claims:
 - Your immediate supervisor or manager.
 - The BH facility’s Compliance Officer, the BH Compliance Officer or the BH General Counsel; or
 - A concern may be reported anonymously by calling the BH Compliance Line at 833.204.8787 or report anonymously by clicking on the word “Hotline” located on each BH facility’s website.

I. Federal False Claims Act

One of the primary purposes of the federal False Claims Act is to combat fraud and abuse in federal health care programs such as Medicare and Medicaid. Violations of the False Claims Act include “knowingly”:

1. Submitting a false claim for payment
2. Making or using a false record or statement to obtain payment for a false claim
3. Conspiring to make a false claim or get one paid, or
4. Making or using a false record to avoid payments owed to the U.S. Government.

“Knowingly” means that a person:

1. Has actual knowledge that the information is false
2. Acts in deliberate ignorance of the truth or falsity of the information or

BH hospitals include: Baptist Health Corbin, Baptist Health Floyd, Baptist Health Hardin, Baptist Health La Grange, Baptist Health Lexington, Baptist Health Louisville, Baptist Health Paducah, and Baptist Health Richmond.

3. Acts in reckless disregard of the truth or falsity of the information

Penalties and fines for violating the federal False Claims Act are significant. Financial penalties for submitting a false claim range from \$11,181 and \$22,363 per false claim plus up to three times the amount that had been paid under the alleged false claim as well as the costs of the civil action against the entity that submitted the false claim. The statute provides that full and timely cooperation may reduce treble damages to double damages.

The federal False Claims Act contains provisions allowing individuals (called “Whistleblowers”) with actual knowledge concerning fraud involving government programs to file a lawsuit on behalf of the government if they are the original source of such information and meet certain other criteria. If the lawsuit is successful, the individual may be eligible to receive a portion of the recoveries received by the government.

II. Applicable State False Claims Laws

A. Kentucky False Claims Laws

The Commonwealth of Kentucky has not adopted false claims acts or statutes that include whistleblower providers similar to those set forth in the federal False Claims Act. However, Kentucky has adopted laws similar to the federal False Claims Act to prevent Medicaid fraud and abuse and to prohibit employers from terminating an employee from bringing to its attention, or the attention of federal or state authorities conduct that may not comport with health care law. It is unlawful to knowingly submit false or fraudulent claims to the Kentucky Medicaid Program. Providers must refund any payments received for false or fraudulent claims and may be liable for a \$500.00 fine per claim plus interest and may be required to pay legal fees and costs related to the investigation and enforcement of civil penalties. Remedies under Kentucky law are separate from and cumulative to any other administrative, civil or criminal remedies available under federal law.

Kentucky law prohibits employers from discharging or discriminating or retaliating against any employee who in good faith makes a report regarding Medicaid fraud. Kentucky law also requires any person who knows or has reasonable cause to believe that the Medicaid program is being abused or defrauded to report such information to the Cabinet for Health Services.

B. Indiana False Claims Laws

The State of Indiana has adopted a version of the False Claims Act that mirrors many of the provisions of the federal False Claims Act. The actions that trigger civil penalties are substantially similar to those of the federal False Claims Act. The Indiana False Claims Act includes a whistleblower provision that prevents employers from retaliating against employees who report their employer’s false claims.

Indiana has also adopted regulations that are intended to prevent fraud and abuse in the Indiana Medicaid program. These regulations generally prohibit the submission of false or fraudulent claims in order to receive compensation from the Indiana Medicaid program.

BH hospitals include: Baptist Health Corbin, Baptist Health Floyd, Baptist Health Hardin, Baptist Health La Grange, Baptist Health Lexington, Baptist Health Louisville, Baptist Health Paducah, and Baptist Health Richmond.

III. Employees' Right To Be Protected As a Whistleblower

Federal law and BH policy (See BH policy titled “Non-retaliation Policy for Reporting Suspected Violations of Laws, Regulations, BH Policies and the Standards of Conduct Described in the BH Corporate Responsibility Program”) prohibit retaliation or retribution against persons who report suspected violations of the federal False Claims Act in good faith or who file lawsuits on behalf of the government under the federal False Claims Act. Anyone who believes he or she has been subject to any such retribution or retaliation should also report this to the BH facility Compliance Officer, the BH Compliance Officer, the BH General Counsel or the Compliance Line at 833.204.8787.

APPROVAL

A handwritten signature in black ink, appearing to read "Gerard Colman". The signature is fluid and cursive, written over a white background.

Gerard Colman
Baptist Health
Chief Executive Officer
Date: September 1, 2020

The policies and procedures set forth in this Policy do not establish a standard to be followed in every situation. It is impossible to anticipate all possible situations that may exist and to prepare policies for each. This Policy should be considered guidelines with the understanding that adaption from the Policy may be required at times. Accordingly, it is recognized that clinicians providing healthcare are expected to use their own clinical judgment in determining what is in the best interests of the patient based on the circumstances existing at the time. If this Policy contains reference to clinical literature, the literature cited is only intended to support the reasoning for adoption of certain guidelines contained herein. It is not an endorsement of any article or text as authoritative. Baptist Health specifically recognizes there may be articles or texts containing other valid opinions which would support other care or actions, given a particular set of circumstances. No literature is ever intended to replace the education, training and experience, or exercise of judgment of the healthcare providers.