Michigan's VFC Program Fraud and Abuse Policy

The purpose of this document is to outline the policy and procedures to prevent, detect, investigate, and resolve fraud and abuse within Michigan's VFC Program.

FRAUD AND ABUSE PREVENTION

Fraud, as it is defined in 42 CFR 455.2, is "an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person."

Abuse is defined as "provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care..."

Examples of fraud and abuse (list is not exhaustive):

- Providing VFC vaccine to a non-VFC-eligible patient
- Providing VFC vaccine to clinics or persons for which it is not intended or to individuals not enrolled in the VFC Program
- Selling or otherwise misdirecting VFC vaccine
- Billing a patient or third party for VFC vaccine
- Charging more than the established maximum vaccine administration fee involving an eligible child
- Refusal to provide VFC vaccine to an eligible child due to a parents'/guardian's inability to pay the administration fee
- Failure to implement provider enrollment requirements of the VFC Program
- Failure to screen patients for VFC eligibility
- Failure to maintain VFC records and to comply with other requirements of the VFC Program
- Failure to fully account for VFC vaccine
- Failure to properly store and handle VFC vaccine
- Ordering VFC vaccine in quantities or patterns that do not match provider profiles or otherwise involves excessive ordering of VFC doses
- Wastage of VFC vaccine

The following roles and responsibilities are part of the daily operation of the VFC Program regarding identification and prevention of fraud and abuse.

A. Provider Role/Responsibility

- Complete educational trainings regarding the VFC Program as provided by the LHD.
 These trainings include education on VFC program requirements, ACIP immunization recommendations, reporting requirements, and vaccine storage and handling.
- Complete training requirements for MCIR VIM as provided by Regional MCIR staff.
- Comply with all VFC Program requirements as outlined in this Resource Book.
- Replace all VFC vaccines that were wasted due to expiration and/or improper vaccine storage and handling practices with private stock.
- Be observant of indicators of fraud and abuse within your practice. Report any suspected fraud and abuse to:

- o your LHD
- The MDHHS Fraud & Abuse hotline at 517-335-8159 (staffed Monday Friday, 8 am to 5 pm),
- o The Medicaid Fraud & Abuse hotline at 1-855-MI-FRAUD (643-7283), or
- o online at http://www.michigan.gov/MDHHS/0,1607,7-132-2943-220188--,00.html

B. LHD Roles/Responsibilities

- Provide training and education to new and existing VFC providers regarding the VFC Program's objectives and requirements.
- Conduct VFC/AFIX site visits.
- Be observant of indicators of fraud and abuse.
- Conduct on-site reviews of providers who have vaccine storage and handling problems and assist them in the resolution of these problems.
- Review all incoming vaccine orders, inventory reports, doses administered reports, and temperature logs. If inconsistencies are found on these reports (e.g., ordering more vaccines than usual, reports of wasted/expired vaccines), follow-up with the provider to resolve any issues.
- Follow-up on problems until improvements are made and maintained.
- Make referrals to the MDHHS INE program if additional provider education is indicated regarding the VFC Program and/or vaccine safety, storage and handling concerns.
- Report to MDHHS VFC Program staff any concerns regarding suspected fraud and abuse within a provider site.

C. Division of Immunization Role/Responsibilities

- Develop VFC Program policy, including an annual update of the *Resource Book*.
- Conduct site visits and educational trainings with LHD staff.
- Monitor the VFC Program at the LHD level.
- Screen VFC providers for suspended, revoked licenses or exclusion from CDC contracts.
- Act as a resource to LHD inquiries regarding the VFC Program.
- Collaborate with Medicaid staff on fraud and abuse policies.
- Substantiate reported fraud and abuse incidents.
- Report suspect fraud cases to Medicaid and CDC for further investigation.

Documenting Fraud or Abuse Allegations

When possible, the following information should be collected regarding a suspicion of VFC fraud or abuse:

- Name and contact information of the person reporting the fraud/abuse (assure them this information will be kept confidential)
- Name and contact information of the suspected provider
- Relationship between the reporting person and the provider
- Detailed information regarding the fraud/abuse
 - o dates
 - o timeline
 - examples of what took place

All allegations are confidential and will be assessed in conformance with the requirements of 42 CFR 455.15. If it is determined there was no intentional deception, misrepresentation or negligent deception or misrepresentation of the VFC Program by the provider or office staff, the situation may be appropriate for correction through educational training(s).

The following criteria will be utilized to determine if an incident is appropriate for correction through educational training(s):

- Amount of money lost by the VFC Program
- Any inadvertent financial gain of the provider
- How the incident was identified
- Length of time the situation occurred
- Provider's willingness to replace lost VFC vaccine with privately purchased vaccine
- Provider's willingness to participate in the educational referral and post-education followup process
- Provider's willingness to revaccinate, if necessary

It should be noted that incidents involving unintentional abuse (clearly excusable lack of knowledge or understanding of the VFC Program) are nevertheless unacceptable. The response to instances of unintentional abuse will vary depending on the circumstances of the incident and whether other instances of fraud or abuse (either intentional or unintentional) have previously occurred. In most circumstances, education will be the proper response in lieu of criminal enforcement. However, the investigative/enforcement referral requirements of 42 CFR 455.15 shall be followed to determine if an educational intervention is appropriate.

Investigation of Suspected Fraud

Investigation of an allegation involving fraud begins with the LHD and/or the assigned MDHHS Immunization Field Representative contacting the provider and reviewing the allegation with the provider. All aspects of the review should be well documented.

- 1. The MDHHS VFC Program staff will immediately discuss the alleged fraud and abuse case with the Immunization Program Management staff.
- 2. The MDHHS VFC Program and the MDHHS Immunization Program will respond to any allegation of fraud and abuse within five working days of the allegation.
- 3. Where possible, an on-site visit shall be conducted within five business days of the allegation.
- 4. Attempts shall be made to educate providers and to provide them with an opportunity to change their policies/procedures to ensure future compliance with VFC guidelines. If a provider was unaware that their practices were fraudulent and intends to immediately rectify the situation, documentation of these facts shall be made and a copy of the investigation's findings and corrective action shall be given to the provider.
- 5. Follow up with the provider shall occur at 30 days and again at six months. If the provider continues to comply with VFC guidelines, the investigation may be closed. A copy of all documentation regarding the investigation shall be kept on file with the LHD and a copy shall be submitted to the MDHHS Immunization Program.

An investigation, in which a provider refuses to acknowledge wrongdoing and cannot/will not provide documentation to demonstrate compliance with VFC guidelines, will be referred to the appropriate State agency for further investigation.

- 1. If appropriate, the MDHHS VFC Program staff shall refer the allegation of fraud and/or abuse to the CDC and Centers for Medicaid and Medicare Services (CMS) Investigation Section-Medicaid Integrity Group via email within ten working days from assessment.
- 2. The CMS referral should be sent to the Medicaid Program Investigation Manager.
- 3. The referral document shall be submitted in a hard copy format, written on department letterhead and sent via inter-departmental mail. Supporting documentation shall be included.

 In addition to the above-mentioned information, MDHHS VFC Program staff will provide any additional information requested by Medicaid or CDC. No HIPAA-sensitive material will be e-mailed.

Should Vaccines be Removed from the Practice?

If an allegation of fraud or abuse has been substantiated and the matter has moved forward for investigation by the offices of Medicaid Integrity Group or the Michigan Attorney General's Office, all VFC vaccine in the provider's possession shall be collected and returned to the LHD. MDHHS may provide an on-site visit with the provider to explain the procedures and to assist in removal of VFC vaccines, if necessary. The provider shall be prohibited from receiving future shipments of VFC vaccine and their VFC PIN number shall be inactivated in VTrckS and MCIR.

Providers prosecuted for fraud/abuse shall be added to the VFC fraud file until reinstatement of their medical license.

MDHHS Immunization Program Fraud and Abuse Contacts:

Ninah Sasy, MDHHS VFC Coordinator.....Fraud and Abuse Coordinator Kevin Czubachowski, MDHHS Immunization Field Representative......Back-up Person #1 Darcy Wildt, VFC Accountability Coordinator.....Back-up Person #2

Collaborating Agencies

Michigan Medicaid

Identifies questionable provider practices and conducts preliminary investigations into complaints of Medicaid fraud and abuse. If there is sufficient information to conclude that fraud or abuse has occurred, a full investigation may be conducted and the case referred to the Medicaid Integrity Group or appropriate law enforcement agency.

Medical Fraud Control Unit (MFCU)

Investigates and prosecutes (or refers for prosecution) violations of State law pertaining to fraud in the administration of the Medicaid Program, the provision of medical assistance, or the activities of providers of medical assistance under the State Medicaid plan. The MFCU also works with State Medicaid agencies to develop methods and procedures to identify, detect, and investigate potential fraud and abuse. The MFCU is located within the Department of the Attorney General's office, which has statewide authority to prosecute individuals for violations of criminal laws involving the Medicaid Program.

Providers who have been removed from the program for intentional fraud and/or abuse, shall be required to re-apply for VFC Program participation.