

SELF-DIRECTION

Fraud, Waste & Abuse



OVERVIEW

Fraud, abuse and waste in Medicaid cost states billions of dollars every year, diverting funds that could otherwise be used for legitimate health care services. Not only do fraudulent and abusive practices increase the cost of Medicaid without adding value – they increase risk and potential harm to patients who are exposed. It is everyone's responsibility to protect against and report all suspected instances of fraud waste and abuse.

For more information: <https://www.ncsl.org/research/health/medicaid-fraud-and-abuse.aspx>

FRAUD

Medicaid fraud occurs when you provide false or untruthful information to claim medical reimbursements, such as false timesheets. Some examples of fraudulent timesheets include requesting payment for time not worked, forging another's signature to the timesheet, or coercing another into giving them part of the payment from Palco even though that person did not work the hours.

Arkansas law (Ark. Code Ann. §20-77-2505), the federal False Claims Act, and the Social Security Act Anti-Kickback Provision (42 U.S.C. 1320a-7b(b)) all have separate reporting requirements when you suspect fraud, waste, and abuse of public funds. Each of these laws impose penalties for committing the act and for failing to report the act, even if you did not commit it. Penalties range from \$10,000 per incident to 5 years in prison, or both. In addition, the following you can be disqualified from receiving Medicaid benefits.

WASTE

Waste refers to over-utilization of services, or practices that result in unnecessary costs. Waste also refers to useless consumption or expenditure without adequate return. For example: Providing services that are not medically necessary.

Like fraud, instances of waste should be reported and will not be tolerated.

ABUSE

Sometimes a worker, family member, or friend may step over the line and become disrespectful or even abusive to you. If you feel uncomfortable around a worker, family member, or friend because of disrespectful treatment, or if you observe someone taking advantage of you or mistreating you, let someone know about the situation immediately.

In Arkansas, abusing a dependent adult, an elderly person, or a child is a crime punishable by law. Criminal abuse of individuals includes physical or sexual abuse, financial abuse, neglect, and psychological abuse or intimidation. If you are being subjected to any form of abuse, report the situation immediately:

- Adult Protective Services at 1-800-482-8049
- Child Abuse Hotline at 1-800-484-5964
- Emergency Responders at 911
- Palco at 877-753-0999 or 501-604-9936

