INDEX

8.306.13 FRAUD AND ABUSE

This page intentionally left blank.

TITLE 8 SOCIAL SERVICES
CHAPTER 306 STATE COVERAGE INSURANCE (SCI)
PART 13 FRAUD AND ABUSE

8.306.13.1 ISSUING AGENCY: Human Services Department
[8.306.13.1 NMAC - N, 7-1-05]

8.306.13.2 SCOPE: This rule applies to the general public.
[8.306.13.2 NMAC - N, 7-1-05]

8.306.13.3 STATUTORY AUTHORITY: New Mexico Statutes Annotated, 1978 (Chapter 27, Articles 1 and 2) authorize the state to administer the SCI program. The State Coverage Insurance (SCI) program is authorized under a health insurance flexibility and accountability (HIFA) waiver under section 1115 of the Social Security Act for the parent population and a medicaid demonstration waiver under section 1115 for the childless adult population, both subject to special terms and conditions.
[8.306.13.3 NMAC - N, 7-1-05; A, 6-1-10]

8.306.13.4 DURATION: The SCI program is operated subject to continuation of the state's HIFA waiver and the medicaid demonstration waiver, and subject to availability of funds.
[8.306.13.4 NMAC - N, 7-1-05; A, 6-1-10]

8.306.13.5 EFFECTIVE DATE: July 1, 2005, unless a later date is cited at the end of a section.
[8.306.13.5 NMAC - N, 7-1-05]

8.306.13.6 OBJECTIVE: The objective of these regulations is to provide policies for the service portion of the New Mexico SCI program.
[8.306.13.6 NMAC - N, 7-1-05]

8.306.13.7 DEFINITIONS: See 8.306.1.7 NMAC.
[8.306.13.7 NMAC - N, 7-1-05]

8.306.13.8 MISSION STATEMENT: The mission of the medical assistance division is to reduce the impact of poverty on people living in New Mexico and to assure low income and disabled individuals in New Mexico equal participation in the life of their communities.
[8.306.13.8 NMAC - N, 7-1-05; A, 7-1-09]

8.306.13.9 FRAUD AND ABUSE: HSD is committed to the development and implementation of an aggressive prevention, detection, monitoring and investigation program to reduce provider/ client fraud and abuse and client abuse and neglect. If fraud or abuse is discovered, HSD shall seek applicable administrative, civil and criminal penalties, sanctions and other forms of relief. This applies to all individuals participating in or contracting with HSD for provision or receipt of medicaid services including SCI. The MCO shall comply with provisions of state and federal fraud and abuse laws and regulations.
[8.306.13.9 NMAC - N, 7-1-05]

8.306.13.10 MANAGED CARE ORGANIZATION REQUIREMENTS: The MCO shall have in place internal controls and policies and procedures that are capable of preventing, detecting, investigating and reporting potential fraud and abuse activities concerning both providers or members. The MCO specific internal controls and policies and procedures shall be described in a comprehensive written plan submitted to HSD or its designee for approval. Substantive amendments or modifications to the policies and procedures shall be approved by HSD. The MCO shall maintain procedures for reporting potential and actual fraud and abuse by clients or providers to HSD. The MCO shall:

A. have internal procedures that facilitate preliminary investigating and reporting of potential and actual fraud and abuse to HSD or its designee for further investigation;

B. have specific controls in place for prevention and detection of potential cases of fraud and abuse such as: claims edits, post processing review of claims, provider profiling/exception reporting and credentialing; prior authorizations, utilization/quality management monitoring;

C. have a mechanism to work with HSD or its designee to further develop prevention and detection mechanisms and best practices and to monitor outcomes for SCI;

D. have internal procedures to prevent, detect and investigate program violations to recover funds misspent due to fraudulent or abusive actions;

E. report to HSD the names of all providers identified with aberrant utilization according to provider profiles, regardless of the cause of aberrancy;

F. report to HSD any administrative action taken to limit the ability of an individual or entity to participate in the program;

G. report to HSD any individual or entity that has been excluded from providing items or services to SCI members;

H. designate a compliance officer and a compliance committee who are accountable to senior management;

I. provide effective fraud and abuse detection training, administrative remedies for false claims and statements and whistleblower protection under such laws to the MCO's employees that include:

(1) written policies for all employees, agents or contractors that provide detailed information regarding the New Mexico Medicaid False Claims Act, NMSA 1978, and the federal False Claims Act established under sections 3729 through 3733 of Title 31, United States Code, administrative remedies for false claims and statements established under Chapter 38 of Title 31, United States Code, including but not limited to, preventing and detecting fraud, waste and abuse in federal health care programs (as defined in section 1128B (f) of the Social Security Act);

(2) as part of such written policies, detailed provision regarding the MCO's policies and procedures for detecting and preventing fraud, waste and abuse; and

(3) in any employee handbook, a specific discussion of the laws described in Paragraph (1) above, the rights of employees to be protected as whistleblowers, and the contractor's of subcontractor's policies and procedures for detecting and preventing fraud, waste and abuse;

J. implement effective lines of communication between the compliance officer and the MCO's employees;

K. require enforcement of standards through well-publicized disciplinary guidelines; and

L. have a provision for prompt response to detected offenses and for development of corrective action initiatives relating to the MCO's contract.

[8.306.13.10 NMAC - N, 7-1-05; A, 6-1-08; A, 7-1-09]

HISTORY OF 8.306.13 NMAC: [RESERVED]