

## Spokane Valley Partners Fraud & Abuse Monitoring Policy

### DEFINITIONS

**Fraud** means an intentional deception or misrepresentations made by a person with the knowledge that the deception could result in some unauthorized benefit to them or some other person and includes any act that constitutes fraud under applicable Federal or State laws.

**Abuse** means actions that are inconsistent with sound fiscal business and that could or do result in an unnecessary cost associated with and/or charged to contractors for unauthorized or unnecessary services.

### COMMITMENT OF THE SPOKANE VALLEY PARTNERS

Spokane Valley Partners is committed to complying with all applicable Federal and State standards regarding fraud and abuse. The Board of Directors and all employees of the Spokane Valley Partners will make every effort to ensure that no fraud or abuse occurs.

#### GOVERNING MANDATES

- DRA—Deficit Reduction Act of 2005—§6031 and 6032
- 31 U.S.C. §3729-3733—Federal False Claim Act
- 31 U.S.C. §3801-3812—Program Fraud Civil Remedies Act of 1986
- RCW 48.80—Health Care False Claim Act—FCA
- Other Laws regarding Privacy and Confidentiality
- Other WAC's and Federal/State Contract Requirements

### STANDARDS OF CONDUCT

Spokane Valley Partners is dedicated to and takes pride in providing the highest level of care to the children, youth and families it serves. To help accomplish this, the Spokane Valley Partners expects all of its employees to act ethically and legally. These standards of conduct are adopted to ensure these standards are understood and met.

#### GENERAL STANDARDS

- Be honest and ethical in everything we do.
- Obey the law.
- Honor confidences.
- Report conduct that concerns us.

## **BUSINESS AND FISCAL STANDARDS**

- Efficient and frugal stewardship of public funds and resources.
- Utilization of public funds and resources only for the specific purposes for which these funds and resources are contractually intended.
- Reporting only charges for reimbursement for services and procedures for which there is supporting documentation.
- Billing only for services and procedures that were provided.
- Efficient scrutiny and management of resources and inventory.
- Thorough fiscal monitoring regimens and fraud and abuse investigation.

## **RESPONSIBILITY FOR COMPLIANCE**

The CEO of Spokane Valley Partners will be the Compliance Officer of this Fraud and Abuse policy. A Compliance Committee will be established consisting of the CEO, Bookkeeper & Director of Operations of Spokane Valley Partners. The Compliance Officer and the Compliance Committee are accountable to the Board of Directors of Spokane Valley Partners in complying with this policy. Regular reports will be provided by the CEO to the Board of Directors of Spokane Valley Partners regarding compliance with this policy.

## **EDUCATION AND TRAINING**

All new employees will be provided with a copy of this policy upon being hired. Their supervisor will review this policy with the employee at the time of hire and then periodically thereafter. All employees will be given training on the False Claim Act and Whistle Blowers Protections provisions.

All providers of services to Spokane Valley Partners that have the potential to be covered under this Fraud and Abuse policy will be made aware the policy and their responsibility to comply with all of its provisions.

All staff members will be provided with effective and ongoing training and education on Fraud and Abuse topics including topics specific to their area of employment regarding all programs that are covered by this policy. Such training will provide a working knowledge of each program, goods and services that are legitimate expenses covered by the provider of funds for the programs and how to recognize and report any suspected fraud and/or abuse in each program.

The Compliance Officer and Committee along with key personnel will be given effective and ongoing training regarding all applicable Federal and State laws regarding Fraud and Abuse.

All education and training of staff, providers, Compliance Officer and Compliance Committee will occur at least once annually to include the providing a copy of this policy, training on the False Claim Act and Whistle Blowers Protections provisions, and at least one continuing

education item related to Fraud and Abuse protection. One additional continuing education item related to Fraud and Abuse topics will be provided to the Compliance Officer and Compliance Committee.

## **COMMUNICATION**

At the regular monthly staff meeting of all employees of Spokane Valley Partners, the Compliance Officer or designee may provide necessary training on fraud & abuse and answer any questions regarding this policy or the programs covered by this policy. At least annually all staff will be trained on the Fraud & Abuse Prevention policy and procedures and on related subjects as deemed necessary.

## **INTERNAL MONITORING AND AUDITING**

Spokane Valley Partners has both internal and external monitoring responsibilities. Internal monitoring is an independent review function within Spokane Valley Partners departments, to review financial, programmatic, information systems (IS) and operations as a service to management. Internal monitoring provides assistance to Spokane Valley Partners leadership and management to assist in the efficient and effective discharge of their responsibilities. External monitoring is an independent function to review financial, programmatic, and regulatory compliance of the Spokane Valley Partners contracts and operations.

Internal monitoring is an ongoing compliance process that reviews activities of the Spokane Valley Partners and evaluations occur looking for better efficiencies and contract compliance. Attainment of the overall objective involves activities relating to:

- Reliability and integrity of information—Review the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information.
- Compliance with policies, plans, procedures, laws and regulation—Review the systems established to ensure compliance with policies, plans, procedures, laws, and regulations that could have a significant impact on operations and reports and determine whether the organization is in compliance.
- Safeguarding of assets—Review the means of safeguarding assets and, as appropriate, verifying the existence of such assets.
- Economical and efficient uses of resources—appraise the economy and efficiency with which resources are employed.
- Accomplishments of objectives and goals for operations or programs—Review operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as required to assure compliance, payment, and quality.

External monitoring occurs when the Spokane Valley Partners has a financial audit performed by an outside accounting firm. Each audit covers the entire operations of Spokane Valley Partners and is performed annually. The purpose of an independent audit shall be to reasonably assure the financial stability of Spokane Valley Partners, and that management

establishes and maintains an adequate system of internal control to ensure the efficient, proper processing of, and use of, contract funds.

## **REPORTING SUSPECTED FRAUD AND ABUSE**

Employees and clients are responsible for complying with the Compliance Plan adopted by the Spokane Valley Partners Board and have a duty to report any suspected wrongdoing or violation of applicable laws, regulations, or the agencies compliance standards or policies without fear of retaliation. Suspected misconduct should be reported directly to the Compliance Officer, or, if the Compliance Officer may be involved in the Fraud or Abuse, to the President of the Board.

The Compliance Officer, or the President in the case of suspected Compliance Officer involvement, will be responsible for ensuring all reported suspected fraud or abuse and other potential violations are fully investigated and, if appropriate, are reported to the proper authorities.

### Methods of Reporting:

- Compliance Officer at phone or extension (509) 927-1153 X. 130
- Compliance Committee address-phone if applicable (509) 927-1153 X. 320
- Board President, Lisa Lee (509) 993-5835
- Substance Abuse/Mental Health/DD/State Auditor Hotline, etc. 1-800-FRAUD

Any employee that suspects that fraud or abuse is occurring in any program covered under this policy must report that suspected action promptly. The complaint should include information regarding the suspected employee and the nature of the suspected fraud or abuse. Regardless of how a report is made, to be useful in the detection and prevention of misconduct, the report should contain specific information regarding the suspected misconduct, including:

- Reason you believe a violation has occurred.
- When and how the conduct occurred or is occurring.
- Information regarding the specific nature of the incident and/or conduct.
- Name of individual and/or group you suspect of committing the violation.
- Date the situation occurred.
- Other information you may have to help with the investigation or understanding of the situation.

Employees may report suspected violations anonymously. The Spokane Valley Partners encourages persons making anonymous reports to maintain contact with the Compliance Officer, so that the Compliance Officer may obtain any additional information needed to properly investigate the report.

Upon determination that the issue is of credible substance, the Spokane Valley Partners will report fraud and/or abuse information to Spokane County Community Services and/or the appropriate funding Spokane Valley Partners as soon as it is discovered including the source of the complaint, the involved employee, nature of fraud or abuse complaint, approximate dollars involved, and the legal and administrative disposition of the case.

## **FALSE CLAIMS ACT AND WHISTLEBLOWER PROTECTION**

The Spokane Valley Partners prohibits any form of retaliation or harassment against any employee or agent for filing a bona fide report under the Spokane Valley Partners reporting policy or for assisting in any investigation regarding compliance matters. Concerns about possible retaliation or harassment should be reported to the CEO. Retaliation against any employee, contractor, consumer or other person who reports in good faith is prohibited. **Any person who retaliates against an employee or other person who reports a concern will be subject to discipline, up to and including termination.**

Accused employees are also protected by the False Claims Act, if after investigating any report, the Compliance Officer, Compliance Committee, or the CEO determines that the report has been made in bad faith; that an employee has knowingly or willfully fabricated information regarding the report; that an employee has knowingly or willfully distorted, exaggerated, or minimized information to either injure someone else or to protect himself or herself, disciplinary action may be taken against the individual who filed the report or gave the false information up to and including termination.

Employees making legitimate complaints of Fraud and Abuse are protected by the Whistle Blowers Protection Act and are not subject to any type of disciplinary action by the Spokane Valley Partners.

### *Federal False Claims Act: 31 U.S.C. §3729-3733*

- *One of the purposes of the federal False Claims Act is to combat fraud and abuse in government programs.*
- *While the False Claims Act imposes liability only when an individual acts "knowingly," the Act does not require that the person submitting the claims have actual knowledge that the claim is false. A person or entity who acts in reckless disregard or in deliberate ignorance of the truth or falsity of the information can also be found liable under the Act.*

### *Qui Tam "Whistleblower Protection Provision"*

- *Allows a person with actual knowledge of allegedly false claims to come forward to file a lawsuit on behalf of the U.S. government.*
- *The Federal False Claims Act also includes protections for people who file qui tam lawsuits. An employee who is discharged, demoted, suspended, threatened, harassed, or discriminated against in his employment as a result of the employee's false claims action is entitled to all relief necessary to make the employee whole.*

## **CORRECTIVE AND DISCIPLINARY ACTIONS**

Once a complaint has been received, the Compliance Officer or the President will take the necessary steps to ensure that the matter is promptly investigated and addressed and develop corrective action initiatives.

Spokane Valley Partners shall treat reports of suspected violations or misconduct as confidential to the greatest extent possible. Spokane Valley Partners shall take reasonable steps to maintain confidentiality of the identity of any person providing information to Spokane Valley Partners; however, Spokane Valley Partners cannot guarantee complete confidentiality of the identity of persons who make reports, due to Spokane Valley Partners obligations to investigate and take appropriate action to correct violations or misconduct and its obligations to report certain issues to state and/or federal authorities. Additionally, Spokane Valley Partners cannot make promises regarding a person's liability or what steps Spokane Valley Partners may take in response to the report.

If it is determined that Fraud or Abuse has occurred in the programs covered by this policy, effective corrective actions will be taken. The involved employee or employees may be subject to disciplinary action up to and including termination. All disciplinary actions will include Human Resources and follow Spokane Valley Partners policies, procedures and guidelines that deal with personnel issues.

The Compliance Officer will maintain a log reflecting all compliance issues reported via the reporting line, e-mail or mail receipt, and the results of investigation of those issues. The log will include the issue, the departments affected, and the resolution. A copy of the log will be provided to the Compliance Committee, Spokane Valley Partners CEO and upon request as required by any contracts, but will be provided to and reviewed by the Compliance Committee periodically. The log should note any issues remaining open and/or unresolved and will be treated as a confidential document. Access to the log will be limited to the Compliance Officer, the Spokane Valley Partners CEO and others on a "need to know" basis.

Approved by  
Calvin B. Coblentz, CEO