

Deficit Reduction Act 2005 – Effective January 1, 2007

- Contains three provisions targeted at Medicaid program integrity and fraud and abuse:
 - Section 6031
 - Creates cash incentives for a State to establish fraud and abuse laws. If a State enacts a False Claims Act modeled on the federal version, the federal government will increase the State share of amounts recovered under that law by ten (10) percent.
 - Michigan's state specific False Claims Act has not meet CMS approval for this purpose.
 - The intention is to create increased and joint oversight between the Federal and State governments.

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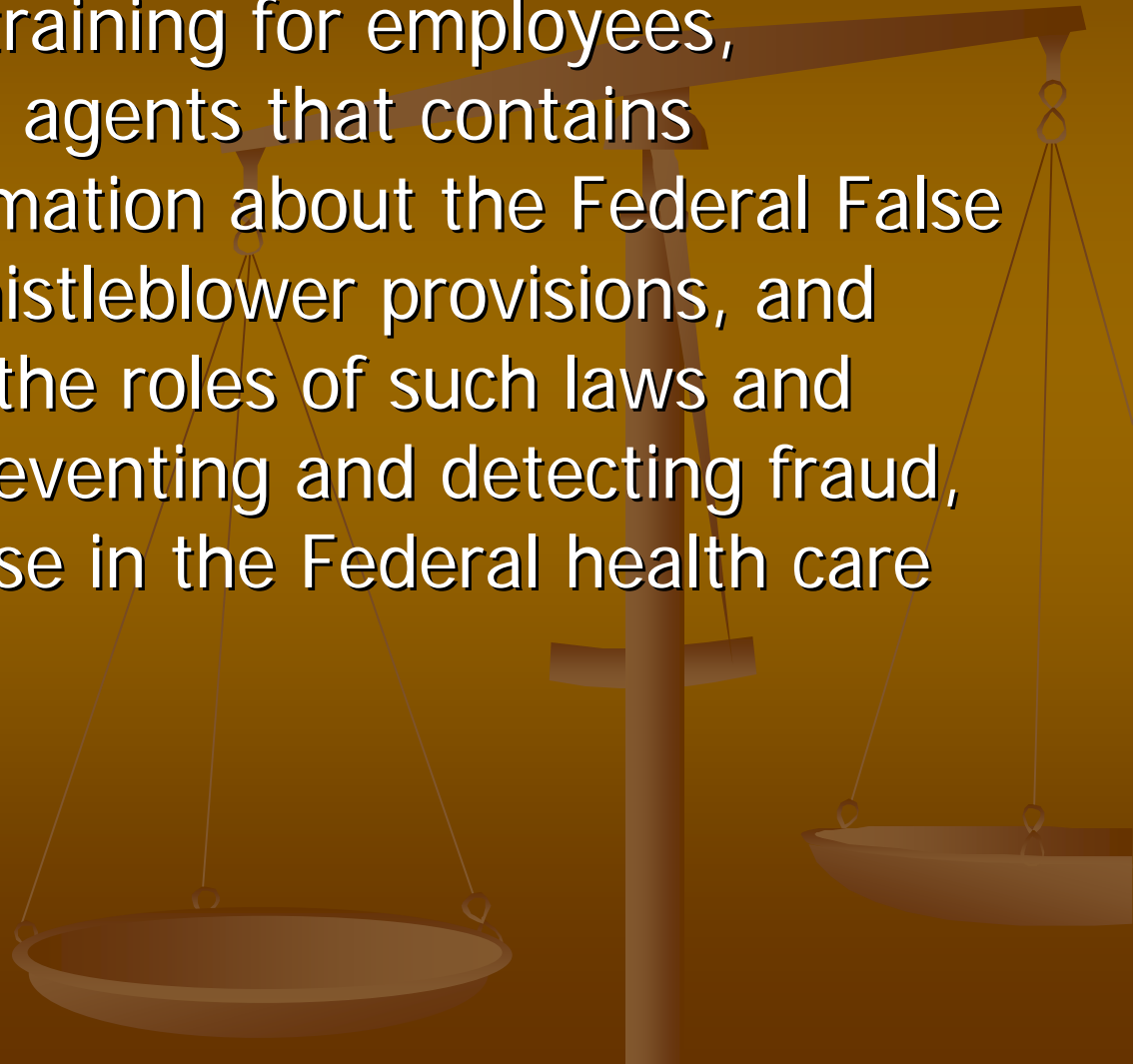
- Contains three provisions targeted at Medicaid program integrity and fraud and abuse:
 - Section 6032
 - Requires any entity that receives from or makes payment to the State Medicaid Program of at least \$5 million annually to develop and implement policies/procedures and provide education to its employees, contractors, and agents consistent with the Federal False Claims Act.

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- Contains three provisions targeted at Medicaid program integrity and fraud and abuse:
 - Section 6034
 - Establishes the Medicaid Integrity Program (MIP) and dramatically increases resources available to CMS to combat fraud, waste, and abuse in the Medicaid program.
 - Medicaid Integrity Program operational roles:
 - Review provider activities
 - Audit claims
 - Identify overpayments
 - Conduct provider education

Deficit Reduction Act 2005 Compliance Program Requirements

- Education and training for employees, contractors and agents that contains “detailed” information about the Federal False Claims Acts, whistleblower provisions, and information on the roles of such laws and provisions in preventing and detecting fraud, waste, and abuse in the Federal health care programs.



Deficit Reduction Act 2005 Compliance Program Requirements

- Written policies that include “detailed provisions” consistent with the State and Federal False Claims Acts, administrative remedies under the Act, applicable State laws, and Whistleblower provisions.
 - Include in the employee handbook: State and Federal laws, rights as employees to be protected as Whistleblowers, any related policies and procedures.
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