



# Fraud Waste & Abuse Policy

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ARKANSAS HEALTH INSURANCE MARKETPLACE

The Arkansas Health Insurance Marketplace (AHIM) is committed to encouraging employees and various Stakeholders to report on suspected Fraud, Waste, and Abuse (FWA), perceived ethical violations, as well as any suspected misconduct or improper action by a public employee in the performance of his or her duties. A public employee is a person who performs a full or part-time service for wages, salary, or other remuneration for a public or state employer. Improper actions by a public employee include:

- Violations of any Federal or State law or regulation;
- An abuse of authority;
- Any action of substantial and specific danger to the public health or safety; or
- A gross waste of public money.

AHIM encourages the reporting of compliance issues from its employees and various Stakeholders through training and on-going technical support.

#### **I. REPORTING OF SUSPECTED PROBLEMS**

Suspected problems may be reported to the Executive staff of AHIM or AHIM's Executive Director. AHIM will report certain confirmed misconduct to the Department of Health and Human Services (HHS), the Arkansas Office of the Attorney General, and the Arkansas Department of Insurance, including criminal, civil, or administrative law violations, widespread occurrences involving multiple stakeholders, patterns of fraud or abuse that could cause substantial harm to the public, known fraud schemes, and schemes with large financial risk.

The State has a whistleblower protection/non-retaliation plan to protect State Employees who report suspected improper governmental action, published online by the Arkansas Department of Finance and Administration, Office of Personnel Management:

<http://www.dfa.arkansas.gov/offices/personnelManagement/Documents/22-Whistle-BlowerProtectionandFraudDetection.pdf>

#### **II. ENFORCEMENT STANDARDS**

All reports on suspected Fraud, Waste, and Abuse (FWA), perceived ethical violations, as well as any suspected misconduct or improper governmental action will be promptly referred to the appropriate Agency and addressed. Additionally, AHIM will take prompt action on non-performance of Agency staff and various Stakeholders as detected through routine monitoring and audits.

In general, the process for enforcement actions consists of the following sequential actions:

- **Intake and Review or Referral.** This step consists of gathering initial information regarding the reported violation or the report of non-performance and referring the matter to the appropriate individual or Agency. All reports of FWA should immediately be referred to the AHIM staff or Executive Director. AHIM staff who receive reports of improper governmental action must notify the Director of Policy and Compliance or the Executive Director immediately, who will promptly send referrals and reporting information to the appropriate agencies. Reports of non-performance of AHIM staff should be handled per the AHIM Employee Handbook. Non-performance of any Stakeholder shall be addressed by the Agency department responsible for oversight of the respective Stakeholder's operations and follow established contractual agreements regarding non-performance.
- **Investigation.** If the information gathered from the Intake phase substantiates a potential violation or non-performance, then an investigation regarding the circumstances of the violation or non-performance occurs. Depending on the potential severity of the case, the investigation may be internal and require minimal data gathering or the investigation can be extensive and done through external resources such as law enforcement officials or contracted auditing entities.
- **Resolution.** AHIM's goal during this step is to correct the violation and to prevent reoccurrence. In correcting the violation, the action should be commensurate with the severity of the violation or non-performance. The action can range from notification of the issue and the need for correction to termination and potential legal or civil action. Examples of resolution may include, but are not limited to:
  - Training and education either on an individual basis or system-wide, for example on the Code of Ethical Standards and improper governmental actions
  - Revising policy and procedures to reflect new processes or to tighten compliance with established business standards
  - Corrective action plans that specify the desired behavior
  - Ongoing targeted reporting and/or auditing
  - Reprimands, suspensions, and demotions
  - Termination or decertification after required notice and any subsequent appeals
  - Civil or criminal action

State of Arkansas Fraud Reporting Poster

<http://www.dfa.arkansas.gov/offices/internalaudit/Documents/FraudReportingPoster.pdf>

Arkansas Insurance Department, Consumer Complaint Form

<https://sbs.naic.org/solar-web/pages/public/onlineComplaintForm/onlineComplaintForm.jsf?state=AR&dswid=6596>

National Association of Insurance Commissioners (NAIC) Online Fraud Reporting System

<https://eapps.naic.org/ofrs/>

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