

**MODULE**

**8**

## **FRAUD AND ABUSE**

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Bureau of Immunization-Vaccines for Children Program

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## MODULE 8 – Fraud and Abuse

### Overview:

As the cost of childhood vaccines increases and the complexity of immunization programs grow, the federally funded Vaccines for Children (VFC) Program, administered by the Bureau of Immunization (BOI), becomes more vulnerable to fraud and abuse. It is important that Florida's VFC Program has a well-defined process for prevention, identification, investigation, and resolution of suspected cases of fraud and abuse within the VFC Program.

The VFC Program, as a component of each state's medical assistance plan, is considered a Title XIX Medicaid Program. Section 1928 of the Social Security Act (42 U.S.C. §1396s) provides for purchase of vaccine for administration to VFC-eligible children—"federally vaccine-eligible children" and "state vaccine-eligible children" (i.e., those children for whom states purchase vaccine; may be limited to particular vaccines)—using federal Medicaid funds and state funds (including 317 federal grant funds), respectively. Medicaid-eligible children and those providers who provide care for the Medicaid population represent the majority of VFC federally vaccine-eligible children and VFC providers. Federal fraud and abuse laws apply to the entire VFC Program. In addition, for those portions of the VFC Program involving state funds, state fraud and abuse/consumer protection/medical licensure laws may also apply.

It is important for Florida's immunization program and the state Medicaid agency to collaborate on the development of policies and procedures regarding VFC Program fraud and abuse. In addition to using the services of state Medicaid agencies and Centers for Medicare and Medicaid Services (CMS), Florida, in collaboration with the state Medicaid agency (Agency for Health Care Administration-AHCA), also uses the fraud and abuse-related services of other state agencies that are responsible for investigating and prosecuting fraudulent healthcare activities and misuse of government funds.

### Purpose:

This module defines the Florida VFC Program's policy for the prevention, detection, investigation, and resolution of fraud and abuse allegations.

### Definitions:

- A. **Wasted:** Any vaccine that provider cannot use. This includes expired, non-viable, and lost vaccines.
- B. **Expired:** Any vaccine with an expiration date that has passed.

- C. **Non-viable:** Any vaccine that exceeds the limits of the approved cold chain procedures or is pre-drawn and not used within acceptable time frames. **Always** consult the VFC Program and vaccine manufacturer before determining the vaccine is non-viable.
- D. **Lost:** The delivery service does not deliver vaccines or does not deliver vaccine in a timely manner. This does not include the provider's negligence to inform the VCF Program administration of updated address changes.
- E. **Abuse:** An intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person. It includes any act that constitutes fraud under applicable federal or state law.
- F. **Fraud:** Provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Medicaid Program, (including actions that result in an unnecessary cost to the immunization program, a health insurance company, or a patient); or in reimbursement for services that are not medically necessary; or that fail to meet professionally recognized standards for health care. It also includes recipient practices that result in unnecessary cost to the Medicaid Program.
- G. **VFC site visit:** The purpose of the site visit is to review records of children immunized through the VFC Program and evaluate the provider's record keeping, vaccine storage and handling procedures, and compliance with the requirements of the VFC Program.
- H. **Assessment, Feedback, Incentive, and Exchange (AFIX) site visit:** A continuous quality improvement strategy that consists of:
  - 1. Assessment of the healthcare provider's vaccine coverage levels and immunization practices.
  - 2. Feedback of the results to the provider, along with recommended strategies to improve coverage levels.
  - 3. Motivating the provider through incentives to improve vaccine coverage levels.
  - 4. Exchanging healthcare information and resources necessary to facilitate improvement.

## Identification (Suspicion) of Fraud and Abuse:

Fraud or abuse can be reported by (but not limited to) the following individuals: parent, employee, former employee, newspaper, provider, colleague of a provider, Medicaid officials, VFC officials, or any other local, state, or federal entity.

## Fraud and Abuse Reporting Systems:

- Contact the Florida VFC Program Fraud and Abuse Hotline (Toll-Free) at (866) 313-0644.
- Complete the Florida VFC Program ***Suspected Fraud and Abuse Report Form*** (see Appendix 8) and fax it to (850) 245-4734.

The VFC Program manager, upon consultation with the Florida Department of Health, Bureau of Immunization (BOI) Chief, has primary authority to:

- A. Make decisions about where identified potential fraud/abuse situations are to be referred and into which category the fraud/abuse falls:
  1. Extenuating circumstances.
  2. No previous compliance issues.
- B. Make the referral.
- C. Notify appropriate governmental agencies (the Centers for Disease Control and Prevention (CDC), state Medicaid office, and others as appropriate).

In the absence of, or as directed by the VFC Program manager, an appropriate BOI delegated authority will act in this capacity.

The BOI will refer complaints identified as suspected fraud or abuse to:

Florida Medicaid Program Integrity Unit  
2727 Mahan Drive  
Tallahassee, Florida 32308  
Telephone: (850) 413-9250  
Fax: (850) 922-3806

The BOI will contact the CDC within 48 hours of an external referral. The CDC contact information is:

Florida's Project Officer  
Program Operations Branch  
Immunization Services Division/CDC  
1600 Clifton Road, MS E-52  
Atlanta, Georgia 30333  
Telephone: (404) 639-8800  
Fax: (404) 639-8615

### **Suspected Abuse:**

If the initial investigation shows misuse of VFC vaccine or failure to adhere to proper enrollment processes, then further investigation by the VFC Program is indicated.

### **Resolution of Reported or Suspected Fraud and Abuse:**

- A. Baseless complaints will be closed with no further action.
- B. The Florida Medicaid Program Integrity (MPI) Unit will investigate cases of suspected fraud.
- C. If it is determined no fraud occurred, the VFC Program will close the case with no further action.
- D. If fraud is discovered, the provider may be required to reimburse vaccine or other costs, may be terminated from the VFC Program, the provider's name may added to the excluded provider list, and/or the provider may be referred for criminal prosecution.
- E. If a provider in a case of abuse is determined to be willful or negligent, the VFC Program may require the provider to reimburse for vaccine or other costs, may terminate the provider from the VFC Program, and/or may add the provider's name to the excluded provider list.
- F. If a provider in a case of abuse is determined not to be negligent because of a lack of knowledge or understanding, the VFC Program will implement an education and corrective action plan. Corrective action may include secondary education for the accused provider's staff. The VFC Program will conduct a follow-up 2-6 months after education is complete. The BOI will make this determination on a case-by-case basis, depending on such factors as:
  - 1. The amount of money lost by the VFC Program.

2. How the VFC Program identified the incident.
3. Duration time of the incident.
4. Provider's willingness to comply with VFC decisions regarding vaccine replacement, educational referral, and follow-up visits by field staff to assure problem is resolved.

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