

Vista Policies and Procedures

Policy Name: Fraud, Waste and Abuse
Policy Number: HR 403
Policy Holder: Compliance Officer
Original Effective Date: September 20, 2018
Revision Date: February 28, 2019

Vista is committed to the responsible stewardship of resources and for maintaining a work environment that promotes ethical and honest behavior. It is the responsibility of management of each Vista entity to establish and implement internal control systems and procedures to prevent and detect irregularities including fraud, waste and abuse. Management at all levels should be aware of the risks and exposures inherent in their areas of responsibility, and should establish and maintain proper internal controls to provide for the security and accountability of all resources entrusted to them.

Definitions

Fraud: an intentional act to deceive or cheat, ordinarily for the purpose or result of causing a detriment to another and/or bringing about some benefit to oneself or others. Fraudulent activities may include, but are not limited to the following:

- Theft, misappropriation, misapplication, destruction, removal or concealment of any institutional assets or resources, including but not limited to funds, securities, supplies, equipment, real property, intellectual property or data
- Improper use or assignment of any organization assets or resources, including but not limited to personnel, services or property
- Improper handling or reporting of financial transactions, including use, acquisitions and divestiture of state property, both real and personal
- Authorization or receipt of compensation for hours not worked
- Inappropriate or unauthorized use, alteration or manipulation of data, computer files, equipment, software, networks or systems, including personal or private business use, hacking and software piracy
- Forgery or unauthorized alteration of documents
- Falsification of reports to management or external agencies
- Pursuit of a personal benefit or advantage in violation of HR 100 Standards of Professional Behavior
- Concealment or misrepresentation of events or data
- The making of false or not properly substantiated claims for reimbursement to any government or private payor for the organization's services
- Acceptance of bribes, kickbacks or any gift, rebate, money or anything of value whatsoever, or any promise, obligation or contract for future reward, compensation, property or item of value, including intellectual property

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Waste: involves overutilization of services or other practices that, directly or indirectly result in unnecessary costs to the healthcare system. Waste is a thoughtless or careless act, resulting in the expenditure, consumption, mismanagement, use or squandering of organization assets or resources to the detriment or potential detriment of the organization. Waste may also result from incurring unnecessary expenses due to inefficient or ineffective practices, systems or controls. Waste does not necessarily involve fraud, violation of laws, regulations or provisions of a contract or grant agreement.

Abuse: involves behavior that is deficient or improper when compared with behavior that a prudent person would consider to be a reasonable and necessary business practice given the facts and circumstances. Abuse also includes misuse of authority or position for personal benefit, financial interest or similar benefit to those of an immediate or close family member, associate or business associate. Abuse does not necessarily involve fraud, violation of laws, regulations or provisions of a contract or grant agreement.

Preventing Fraud, Waste, or Abuse

Maintaining an Ethical Work Environment

All Vista employees are responsible for maintaining a work environment that promotes ethical and honest behavior on the part of all employees. To do so, management at all levels must behave ethically and communicate to employees and others that they are expected to behave ethically, per HR 100 Standards of Professional Behavior.

Implementing Effective Internal Control Systems

Management of each Vista entity has the responsibility to establish and implement internal control systems and procedures to prevent and detect irregularities including fraud, waste and abuse. Internal controls are processes performed by management and employees to provide reasonable assurance of the following:

- Safeguards over organization assets and resources, including but not limited to cash, securities, supplies, equipment, property, records, data or electronic systems;
- Effective and efficient operations;
- Reliable financial and other types of reports; and
- Compliance with laws, regulations, contracts, grants and policies.

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In order to determine whether internal controls are effective, management should perform periodic risk and control assessments, which should include the following activities:

- Review the operational processes of the unit under consideration
- Determine the potential risk of fraud, waste or abuse inherent in each process
- Identify the controls included in the process (or controls that could be included) that result in a reduction in the inherent risk
- Assess whether there are internal controls that need to be improved or added to the process under consideration
- Implement controls or improve existing controls that are determined to be the most efficient and effective for decreasing the risk of fraud, waste or abuse

Processes may include existing internal controls, which should be monitored or reviewed for adequacy and effectiveness on a regular basis, and improved as needed. Typical examples of internal controls may include, but are not limited to, the following:

- Adequate separation of duties among employees
- Sufficient physical safeguards over cash, supplies, equipment and other resources
- Appropriate documentation of transactions
- Independent validation of transactions for accuracy and completeness
- Documented supervisory review and approval of transactions or other activities
- Proper supervision of employees, processes, projects or other operational functions

Reviews of Internal Control Systems

Internal Audits:

Internal audits are utilized for assessing the adequacy and effectiveness of internal controls that are implemented by the organization, and will often recommend control improvements as a result of this assessment.

External Audits:

Scheduled and unannounced licensing and credentialing audits occur throughout each year by State and County stakeholders.

Other Reviews:

Various programs may be subject to audits or reviews by federal, state or other outside agencies based on the type of program, function or funding. Although audits and reviews may include assessments of internal controls, the primary responsibility for prevention and detection of fraud, waste or abuse belongs to management.

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Reporting Fraud, Waste or Abuse

Responsibility for Reporting Fraud, Waste or Abuse

Any employee of a Vista entity having knowledge that a theft, forgery, credit card fraud or any other act of unlawful or unauthorized taking or abuse of public money, property or services, or other shortages of public funds, has occurred shall report the information immediately to their supervisor. Individuals, guardians, families and others are also encouraged to report known or suspected acts of fraud, waste or abuse. Although proof of an improper activity is not required at the time the incident is reported, anyone reporting such actions must have reasonable grounds for doing so. Employees with knowledge of matters constituting fraud, waste or abuse who fail to report it, or employees who knowingly make false accusations, may be subject to disciplinary action.

Protection from Retaliation

State law prohibits discrimination or retaliation against employees for reporting allegations of dishonest acts or cooperating with auditors conducting an investigation, in accordance with HR 132 Whistleblower.

Confidentiality of Reported Information

Detailed information received pursuant to a report of fraud, waste or abuse or any on-going investigation thereof shall be considered working papers of the investigation and shall be confidential. Although every attempt will be made to keep information confidential, circumstances such as an order of a court or subpoena may result in disclosure.

Methods for Reporting Fraud, Waste or Abuse

Any employee who becomes aware of known or suspected fraud, waste or abuse should immediately report the incident to his or her supervisor. If the incident involves their immediate supervisor, the employee should report the incident to the next level supervisor. Employees should not confront the suspected individual or initiate an investigation on their own, as such actions could compromise the investigation. Additional methods of reporting include:

1. Vista Compliance Hotline: 1-833-430-0003
2. For the Medical Assistance Program(s), contact the Bureau of Program Integrity:
Department of Human Services
Office of Administration
Bureau of Program Integrity

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P.O. Box 2675
Harrisburg, PA 17105-2675

Investigations/Actions

Individuals involved with suspected fraud, waste or abuse should assist with and cooperate in any authorized investigation by providing complete, factual responses to questions and either providing access to or turning over relevant documentation immediately upon request by any authorized person. The refusal by an employee to provide such assistance may result in disciplinary action.

Remedies Available

Vista will evaluate the information provided and make a determination concerning external reporting obligations, if any, and the feasibility of pursuing available legal remedies against persons or entities involved in fraud, waste or abuse against the organization. For cases in which disciplinary action is warranted, Human Resources, General Counsel and other appropriate offices shall be consulted prior to taking such action, and applicable organizational and Board policies related to imposition of employee discipline shall be observed.

Resignation of Suspected Employee

An employee suspected of fraud, waste or abuse may not resign as an alternative to discharge after the investigation has been completed. Exceptions to this requirement can only be made by Human Resources and Vista Executive Management. If the employee resigns during the investigation, the employment records must reflect the situation as of the date of the resignation and the outcome of the investigation.

Confidentiality During Investigation

All investigations will be conducted in maximum confidence, with information sharing limited to persons on a "need to know" basis. The identities of persons communicating information or otherwise involved in an investigation or allegation of fraud, waste or abuse will not be revealed beyond the scope of parties involved in the investigation, unless necessary to comply with federal or state law, or if legal action is taken.

Administration Responsibility

Administrators at all levels of management must implement, maintain and evaluate an effective compliance program to prevent and detect fraud, waste and abuse. Once such activities have been identified and reported, the overall resolution should include an assessment of how it occurred, an

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evaluation of what could prevent recurrences of the same or similar conduct, and implementation of appropriate controls, if needed.

Compliance Officer Signature: _____ Date of Approval: _____