

Federal False Claim Act

SCES is required by the Commonwealth of Massachusetts to post this notice.

Somerville-Cambridge Elder Services (SCES) receives more than five million dollars in Medicaid funding, and thus must comply with Section 6032 of the Federal Deficit Act of 2005. This regulation:

1. prohibits the filing of any false Medicaid claim,
2. sets forth the penalties for violation of the law, and;
3. provides for whistleblower protections for any employee who reports such violation.

False Claims Act (FCA) Overview

Any person who knowingly presents, or causes to be presented, to an officer or employee of the United States Government or a member of the Armed Forces of the United States a false or fraudulent claim for payment or approval; knowingly makes, uses, or causes to be made or used, a false record or statement to get a false or fraudulent claim approved by the by the Government; conspires to defraud the Government by getting a false or fraudulent claim paid or approved by the Government; or knowingly makes, uses, or causes to be made or used, a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the Government is liable to the Government for a civil penalty of not less than \$5,000 and not more than \$10,000, plus 3 times the amount of damages which the Government sustains because of the act of that person.

For purposes of this section, the terms “knowing” and “knowingly” means that a person, with respect to information has actual knowledge of the information; acts in deliberate ignorance of the truth or falsity of the information; or acts in reckless disregard of the truth or falsity of the information, and no proof of specific intent to defraud is required.

In sum, the False Claims Act imposes liability on any person who submits a claim to the federal government or its designee, the state, that he or she knows(or should know) is false. The Act also imposes liability on an individual who may knowingly submit a false record in order to obtain payment from the government. For example, a contractor or vendor who submits records that he knows (or should know) is false and that indicate compliance with certain contractual or regulatory requirements. The last area of liability includes those instances in which someone may obtain money from the federal government to which he may not be entitled, and then uses false statements or records in order to retain the money.

SCES Policy Regarding False Claims Act

Somerville-Cambridge Elder Services will strictly enforce the False Claims Act. Any employee of the agency who “knowingly” files or causes to be filed any fraudulent Medicaid claim shall be subject to disciplinary action up to and including immediate termination of employment. Any entity that contracts with SCES for Medicaid reimbursement shall be held to the same standard, and faces civil penalties and termination of their contract with the agency if they violate the Act.

If an employee of the agency is aware of a false claim they should alert the Massachusetts Executive Office of Elder Affairs. The Federal Deficit Act provides protection to any employee who reports an instance of a supposed false claim from being threatened, harassed, or in any other manner discriminated against in the terms and conditions of their employment as a result of their making a report under this Act. Remedies include reinstatement without loss of seniority, two times the amount of any back pay, interest on any back pay, and compensation for any special damages sustained as a result of the discrimination including litigation costs and reasonable attorneys’ fees.