

Participate in the Program...

New York Labor Law § 740 states that an employee must bring an alleged violation to the attention of the employer and give the employer a reasonable opportunity to correct the allegedly unlawful practice.

If any employee is dissatisfied with his/her supervisor's or department head's response or if the employee prefers to report anonymously, the employee is directed to contact the Office of Compliance & Audit Services directly or report the complaint via DMC's Compliance Line. Failure to report and disclose or assist in an investigation of fraud and abuse is a breach of the employee's obligations to DMC and may result in disciplinary action.

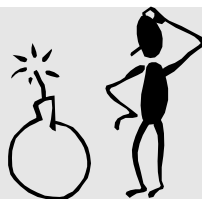


Further information regarding the Deficit Reduction Act, applicable Federal and State Laws, reporting a suspected violation, DMC's Policies and Procedures and the DMC Compliance Program should be reviewed. This information can be found on DMC's Office of Compliance & Audit Services website at www.downstate.edu/compliance.

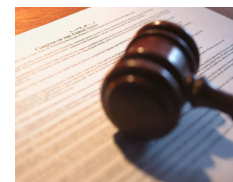
Your Duty to Report...

Your participation in DMC's Compliance Program is key to our success. Maintaining an ethical and compliant working environment is everyone's responsibility. Report concerns regarding any suspected violations of Federal or State Laws regarding fraud, waste, abuse or other ethical/ legal concerns to:

- 1) Your Supervisor/ Vice President
- 2) DMC's Compliance Line call – 877-349-SUNY web report: Go to www.downstate.edu and click on "Compliance Line" link
- 3) DMC's Office of Compliance & Audit Services: (718) 270-4033



When you become aware of an activity that may be in violation of the law – it is up to you to report it!



Detection & Prevention of Fraud, Waste & Abuse:

Complying with the Deficit Reduction Act

SUNY Downstate Medical Center (DMC) is committed to preventing and detecting fraud, waste or abuse.

Section 6032 of the Federal Deficit Reduction Act of 2005 (DRA) requires us to provide information to our employees regarding Federal and New York State fraud and abuse laws, whistleblower protections under these laws and our Compliance policies in preventing and detecting fraud, waste and abuse*.

Part of DMC's mission in providing excellent care includes the prevention of falsely submitted claims/ reports for payment from a Federally or State funded health care program (such as Medicare or Medicaid). A false claim is a violation of Federal and State law and can have very damaging results – including civil, administrative and criminal penalties.

DMC maintains a dedicated Compliance Program aimed to educate the workforce and provide detailed policies and procedures on fraud and abuse laws, and the importance of submitting accurate claims and reports to the Federal and State governments.

*Note – guidance regarding section 6032 of the DRA has not yet been established. This document and relevant policies have been developed to fulfill requirements of the DRA and will be modified as necessary.



The False Claims Act (FCA) establishes liability for any person who engages in unlawful acts with respect to the Federal government,

including:

- knowingly presenting or causing a false or fraudulent claim for payment;
- knowingly making, using, or causing a false statement to get a false or fraudulent claim paid; or
- Conspiring to defraud by getting false or fraudulent claim allowed or paid.

Civil penalties for violations may include up to \$11,000 per false claim (plus three times Federal damages), as well as exclusion from Federal health care programs. Private persons are eligible to file qui tam/whistleblower lawsuits (without threat of employer retaliation) on behalf of the Federal government. If successful, 10-30% of recoveries may be awarded.



The Federal Program Fraud Civil Remedies Act of 1986 (FPPCRA) establishes

administrative remedies against any person who presents or causes a claim or written statement that the person knows, or has reason to know, is false, fictitious, or fraudulent to certain Federal agencies. Violations can result in civil monetary penalties of up to \$5,500 per false claim, plus twice the amount of the false claim.



New York Social Services Law §145-b (NYSSL) defines the conduct of knowingly making a false statement or representation,

deliberately concealing material facts, or engaging in other fraudulent schemes to obtain payments under NYS Medicaid program as unlawful. Violations may result in the repayment of three times civil damages as well as monetary penalties of up to \$2,000 for each item/service in question.



New York Social Services Law §366-b(2) states that a person who, intending to defraud, submits a false or fraudulent claim or information for the purpose of obtaining a higher compensation for an item or service is guilty of a Class A misdemeanor.



New York Penal Law § 177 (NYPL) establishes the crime of Health Care Fraud – committed when a person knowingly &

willfully provides false information or omits material information and receives un-entitled payment for an item or service as a result. NYPL is punishable with fines and jail time of up to 25 years.



New York Labor Law § 740 (NYLL) affords protections to employees who may notice and report inappropriate activities.

Retaliation - in response to an employees' disclosure of a violation, testimony, or refusal to participate in unlawful activities - is prohibited.

DMC Policies & Procedures



The above regulations have been summarized for your information.

Detailed provisions regarding the following can be found in DMC's Compliance Program Manual available on our web-site at www.downstate.edu/compliance:

- Code of Ethics & Business Conduct
- Compliance Program Oversight Responsibilities
- Employee Training
- Monitoring and Auditing
- Reporting System
- Enforcement & Discipline
- Response & Prevention

Reporting a Violation

To assist Downstate in meeting the legal and ethical obligations outlined, ANY EMPLOYEE who reasonably suspects, or is aware of, the preparation or submission of a false claim or report, or any other potential fraud, waste or abuse related to a Federally or State funded health care program is required to report such information.

- Reports can be made anonymously.
- All individuals will be protected against retaliation by both internal DMC Compliance policies, as well as under Federal and State law.
- DMC will investigate reports of fraud, waste or abuse swiftly and thoroughly and will implement the appropriate action against any employee who has committed a violation.

