

Defining Fraud

The Centers for Medicare & Medicaid Services (CMS) defines fraud as an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to oneself or some other person. It includes any act that constitutes fraud under applicable State and Federal law.

Examples of Fraud

- Accepting pay or submitting timesheets for time you did not work.
- Recording more time than actually worked on a timesheet (“padding” time).
- Stating that tasks or procedures were completed when they were not.
- Forging other employees’ or the participant’s signature.
- Changing another person’s timesheet or paperwork.

Potential Consequences of Committing Fraud

Fraud may result in significant penalties ranging from warnings to suspensions, termination, fines, or jail time. If an employee gives false information or fails to report it, they could be convicted of a crime. The employee might have to pay large sums of money or go to jail. If there is a reason to believe that the misconduct may violate criminal, civil, or administrative law, then your employer and the organization must promptly report the existence of misconduct to the appropriate Federal and State authorities.

Taking Action to Prevent Fraud

- All employees must sign an employment agreement acknowledging they can and will be terminated if found to have committed fraud.
- All employees must pass a criminal and Office of Inspector General (OIG) background check.
- Participants and employees sign anti-fraud statements on every timesheet and mileage form.

Reporting Fraud — It’s the Law

As an approved provider or contracted agency with public health and human services departments, employers must comply with all applicable Federal, State, and local laws. Therefore, employers have the responsibility of identifying, investigating, and referring to law enforcement officials, all cases of suspected fraud or abuse.

**Fraud is a State and Federal crime.
Employees are mandatory reporters of any suspected fraud.**

**To report suspected Medicaid fraud, please call the Maryland Department of Health
OIG Fraud Hotline at 1-866-770-7175.**