

Shadowfax

Title	Organization Fraud Waste and Abuse Procedure
Procedure Number	ORG.1017.001.000
Initiating Authority	Director of Human Resources
Approved By	Compliance Committee
Origin Date	September 2021
Revision Date	
Effective Date	November 1, 2021
Next Review Date	June 2022
Associated Policies	ORG.1017.000.000 Fraud, Waste, and Abuse Policy, ORG.1015.000.000 Reporting Concerns and No Retaliation
Associated Procedures	
Associated Documents	

I. PROCEDURE STATEMENT

The Shadowfax Corporation is dedicated to reducing and/or eliminating incidences of fraud, waste and abuse within Federal and State healthcare programs and relative to Shadowfax responsibilities including the submission of accurate claims to all payers.

II. PURPOSE

The purpose of this procedure is to provide information and guidance relative to the role of certain Federal laws and Pennsylvania state laws in preventing and detecting Fraud, Waste and Abuse in Federal and State healthcare programs and relative to Shadowfax's responsibilities in preventing Fraud, Waste and Abuse, including submission of accurate claims to all payers.

III. SCOPE

This procedure applies to all Staff Members, Management Employees (including officers of Shadowfax), Board Members, contractors and agents of The Shadowfax Corporation and of its subsidiaries and affiliates (collectively "Shadowfax").

IV. GENERAL

Federal and State Laws applicable to Fraud, Waste and Abuse in Healthcare

V. PROCEDURE

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Note: The term "Individual" is synonymous with resident, client, patient, consumer, or participant.

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Shadowfax will maintain and develop, as needed, policies to detect and prevent Fraud, Waste and Abuse related to Federal and State health care programs, including the Medicare and Medical Assistance (“MA”) programs. In that regard, Shadowfax has implemented a Corporate Compliance Plan and Code of Conduct to ensure compliance with all Federal, State and Local laws and regulations under which it is governed.

Definitions:

FRAUD means an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself/herself or some other person. It includes any act that constitutes fraud under applicable federal or state law. (42 C.F.R. § 455.2)

Examples include:

- Knowingly billing for services not furnished or supplies not provided.
- Billing for non-existent prescriptions.
- Knowingly altering claim forms, medical records or receipts to receive a higher payment.

WASTE includes incurring unnecessary costs as a result of inefficient or ineffective practices, systems, or controls. This could be the overutilization of services or other practices that directly or indirectly results in unnecessary costs.

Examples include:

- Conducting excessive visits or writing excessive prescriptions.
- Prescribing more medications than necessary for the treatment of a specific condition.
- Ordering excessive laboratory tests.

ABUSE includes any practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to federal payor programs, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care. It also includes practices that result in unnecessary cost to federal payor programs. (42 C.F.R. § 455.2)

Examples include:

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- Unknowingly billing for unnecessary medical services.
- Unknowingly billing for brand name drugs when generics are dispensed.
- Unknowingly excessively charging for services or supplies.
- Unknowing misusing codes on a claim, such as up-coding or unbundling codes.

There are differences among fraud, waste, and abuse. One of the primary differences is intent and knowledge. Fraud requires intent to obtain payment and the knowledge that the actions are wrong. Waste and abuse may involve obtaining an improper payment or creating an unnecessary cost; but does not require the same intent and knowledge.

Shadowfax Commitment:

Shadowfax will provide new and existing Staff Members, Management Employees, Board Members, contractors and agents with written information in the form of our policy and procedure in order assist them in identifying, detecting and preventing Fraud, Waste and Abuse.

Shadowfax has developed a system intended to prevent Fraud, Waste and Abuse in the various Shadowfax programs. Good and ethical business practice dictates that every incident of fraud, defalcation, misappropriation, irregularity, dishonestly, waste, and abuse be promptly detected, investigated, and eliminated. It is the responsibility of all Staff Members, Management Employees, Board Members, contractors, and agents to participate in Shadowfax's efforts to curtail these actions, and to comply at all times with this Policy, the Compliance Plan, and the Shadowfax Code of Conduct.

All Staff Members, Management Employees, Board Members, contractors, and agents of Shadowfax must understand their obligation to identify and report such incidents in accordance with Shadowfax's Compliance Plan. All such reports will be taken seriously and investigated, with appropriate remedial action being taken against any and all offenders and steps implemented for the prevention of such violations in the future.

Shadowfax is committed to encouraging the free flow of information and the reporting of actual or suspected violations of its policies, including the Compliance Plan and Code of Conduct, and of all applicable laws and regulations, by protecting any individual making a good faith report of same. No such whistleblower will be

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discriminated against or otherwise disadvantaged because of making a good faith report of any actual or suspected violation.

For more information regarding Shadowfax's system for detecting Fraud, Waste, and Abuse in Shadowfax programming, as well as to the specific obligations and protections for individuals for reporting same, all Staff Members, Management Employees, Board Members, contractors, and agents shall consult the Compliance Officer and/or the following documents:

1. Shadowfax Compliance Plan;
2. Shadowfax Code of Conduct;
3. Shadowfax Policy on Fraud, Waste, and Abuse; and
4. Shadowfax Reporting Concerns and No Retaliation Policy

Staff Member's Role

Each staff member plays a vital role in preventing, detecting and reporting potential Fraud, Waste and Abuse. To prevent Fraud, Waste and Abuse a staff member:

- Must personally comply with all applicable statutory, regulatory and other requirements of the law.
- Must conduct themselves in an ethical manner.
- Must ensure accurate and timely data and billing.
- Has a duty to report any compliance concerns and suspected or actual violations of which they may be aware.
- Has the duty to follow Shadowfax commitment to standards of conduct and ethical rules of behavior.
- Must know Shadowfax policies and procedures.
- Report suspected instances of Fraud, Waste and Abuse to the Shadowfax Compliance Officer, any Management Employee, and/or report the false claim or suspected false claim via any anonymous reporting mechanism set for in the Compliance plan.

VI. ENFORCEMENT

Anyone in violation of this policy/procedure will be subject to disciplinary action up-to and including termination.

VII. OVERSIGHT

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The highest-level position for each Shadowfax department or their designate(s) (the "Approved By") shall be in charge of the administration of this Procedure. The Approved By responsibilities include:

1. Identifying the activities necessary to comply with this procedure based on regulatory and program requirements.
2. Assigning, as appropriate, designees to implement the procedure and associated procedures.
3. Periodically reviewing this procedure and monitoring compliance to it.
4. Training responsible parties on their obligations under the procedure.

Revision History

Name	Date	Reason for Changes	Version