

## General

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### 1.0 CONTRACTOR'S PROGRAM INTEGRITY RESPONSIBILITY

**1.1** The contractor shall incorporate into its organizational management philosophy a published corporate strategy that underlines commitment to health care fraud detection and prevention. The strategy, developed and endorsed by corporate management, shall include maintaining a focus on increased health care fraud awareness, developing processes which identify fraud, aggressively referring health care fraud cases, assisting in the prosecution of the cases, and developing deterrents to health care fraud. Internal procedures shall be in place for all offices to provide potential fraud and abuse cases to the contractor's program integrity function. The strategy and internal procedures shall be provided to the TRICARE Management Activity (TMA) Program Integrity Office (PI) 30 calendar days prior to start of health care delivery, with annual updates, or as changes occur, whichever comes first.

**1.2** Program integrity is a contractor responsibility to ensure that necessary medical or pharmacy services are provided only to eligible beneficiaries by authorized providers or reimbursement made to eligible beneficiaries or providers under existing law, Regulation and TMA instructions. Further, the program integrity responsibility extends to applying the expertise of the contractor staff to the evaluation of the quality of care, and to ensure that payment is made for care which is in keeping with generally accepted standards of medical or pharmacy practice. In carrying out this function, the contractor is required to apply all the standards and requirements addressed in this and all other chapters of this manual. The contractor shall have a dedicated program integrity function, solely for the government line of business, which shall perform the program integrity activities listed below and shall respond to requests and direction from the TMA Office of General Counsel (OGC) and TMA PI.

**1.3** Contractors shall develop and maintain those internal management controls necessary to prevent theft, embezzlement, fraud, or abuse of benefit funds. These controls shall be addressed in the annual letter of assurance. (See [Addendum A, Figure 13.A-7.](#))

**1.4** The contractor shall conduct the following functional activities:

**1.4.1** On-line manipulation and analyses of professional and institutional health care data associated with type, frequency, duration and extent of services, to identify patterns highly indicative of fraudulent or abusive practices by providers and/or beneficiaries. When applicable, this includes pharmacy data. Commercial anti-fraud software designed for such purposes, or upon approval of the TMA, the contractor's own link-analysis program will be used. Software must be state-of-the-art and have the ability to use layered logic and artificial intelligence, to receive queries in English, to ask questions in English and to produce comprehensive fraud detection reports. The application must be on-line and accessible by the contractor's Program Integrity Unit fraud specialists and shall be used on a daily basis. It is expected that as a result of the use of this software, a minimum of 10 cases a year shall be identified, developed, and if warranted, referred to

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TMA. This is in addition to cases being developed under other methods, i.e., receipt of beneficiary complaints, law enforcement inquiries, other private plan referrals, etc. Finally, utilizing all methods of identifying fraud/abuse cases, this shall result in referring a minimum of 10 cases (meeting the criteria outlined in [Section 2](#)) to TMA each year. The list of cases and their disposition shall be included as an addendum to the fourth quarter Fraud and Abuse Summary Report. This [paragraph 1.4.1](#) is not applicable to the TRICARE Dual Eligibility Fiscal Intermediary Contract (TDEFIC).

**1.4.2** Perform validation audits on statistical samples of claims or other appropriate units of measurement (e.g., line item or Episode Of Care (EOC)) for care provided by specific provider(s) or pharmacy(ies). Perform audits of claims or other appropriate units of measurement submitted by specific beneficiaries to verify services with the provider or pharmacy. Transmit the audit and its health care database information via electronic media. (See [Section 4, paragraph 2.0](#) for postpayment procedures.)

**Note:** In the vast majority of cases, the unit to be statistically sampled is the entire claim (which includes all line-items). Occasionally, circumstances dictate that the unit to be sampled is the entire patient encounter which we define as the complete patient EOC. In this case, the unit to be sampled will consist of multiple claims. In other unusual circumstances, a probe sample may be required (i.e., an audit that is not statistically valid). A statistically valid sample may or may not follow the probe sample.

**1.4.3** Provide technical and professional consultation and information (to include documentation) concerning:

- The delivery of health care services in the Continental United States (CONUS), Outside of the Continental United States (OCONUS) when applicable;
- Claims processing requirements (i.e., submission, adjudication, and reimbursement of claims for health care services);
- All anti-fraud activities;
- Case specific data needed during development and investigative process.

**1.4.4** Identify and provide expert witnesses at Grand Jury proceedings, criminal and civil trials as requested by TMA PI.

**1.4.5** Provide documents, reports, correspondence, and other applicable data or items as directed by the TMA PI or OGC in support of investigations, compliance monitoring, anti-fraud activities, or other program integrity related issues.

**1.4.6** Evaluate the effectiveness of prepayment screens and postpayment detection reports and initiate appropriate changes. Report all changes within 45 calendar days to TMA PI. Maintain the supporting documentation for the changes for two years unless the change is mandated by TMA.

**1.4.7** Develop and maintain standard operating procedures (e.g., desk procedures). A copy, in electronic read-only format, shall be provided to TMA PI at the start of the contract with updates provided as changes occur.

**1.4.8** In relation to TRICARE dual eligibles, the contractor shall follow the provisions outlined in this chapter.

## **2.0 ROLES AND RESPONSIBILITIES OF COOPERATING COMPONENTS**

### **2.1 TMA**

The Director, TMA, and designees administer the TRICARE program in accordance with TRICARE law, Title 10, Chapter 55, United States Code (USC), "Medical and Dental Care," 32 CFR 199, and other applicable laws, regulations, directives and instructions.

### **2.2 TMA PI**

The TMA PI is the centralized administrative hub for anti-fraud and abuse activities worldwide. The Office is responsible for developing policies and procedures regarding prevention, detection, investigation and control of TRICARE fraud, waste and program abuse, monitoring contractor program integrity activities, coordinating with Department of Defense (DoD) and external investigative agencies and initiating administrative remedies as required.

### **2.3 TMA OGC**

The TMA OGC is responsible for providing legal counsel and legal services to TMA. It is the principal point of contact on all legal matters involving the Department of Justice (DOJ) and its Federal Bureau of Investigation (FBI). This office serves as DOJ's primary contact point in civil litigation involving benefit funds, and in preparing for litigation or pursuant to litigation, may make direct requests to TMA offices, principally the TMA PI, and contractors for information and records. The TMA OGC is responsible for actions pursued under the Program Fraud Civil Remedies Act (PFCRA) and, in developing or pursuing a PFCRA case, may request information, data, and records from TMA offices and contractors. Settlements that affect the agency (e.g., civil settlement involving a monetary compromise, a provider's or pharmacy's TRICARE status, compromise of waiver of any sanction) must be coordinated with and approved by TMA, OGC, or designee.

### **2.4 Department Of Defense Inspector General (DoDIG)**

The DoDIG has the responsibility to conduct, supervise, monitor, and initiate investigations relating to fraud within the DoD. This authority specifically includes TMA, its employees, contractors and subcontractors. This authority is not limited by the type of contract which has been entered into by the Director, TMA. All contractor, managed care, consultant, service, and other types of contracts are subject to the audit, investigation and evaluation authority of the DoDIG.

### **2.5 Defense Criminal Investigative Service (DCIS) Of The DoDIG**

The DCIS is responsible for all fraud and/or abuse investigations involving the Secretary of Defense, the Office of the Joint Chiefs of Staff (JCOS), the Defense Agencies (including the TMA), and any other fraud investigation deemed appropriate by the DoDIG or designated representative. The DCIS has primary investigative jurisdiction for cases concerning alleged fraud/abuse. This includes cases that may involve the use of facilities by medical providers on military installations, alleged fraud by retired service members and their family members, and managed care cases (to include network providers or network pharmacies).

## **2.6 Military Criminal Investigation Organizations (MCIOs)**

The MCIOs include the United States Army Criminal Investigative Division (USACID), Naval Criminal Investigative Service (NCIS), United States Air Force Office of Special Investigations (AFOSI), United States Coast Guard Investigations and Health and Human Services Inspector General's Office (for the United States Public Health Service (USPHS)). The MCIOs have jurisdiction to investigate cases concerning alleged fraud by active duty military service members and their family members who have received health care services.

## **2.7 Defense Contract Audit Agency (DCAA)**

Upon request, the DCAA provides audit assistance to TMA DCIS and MCIOs.

## **2.8 DOJ And United States Attorneys' Offices (USAO)**

The DOJ, acting through its Civil and Criminal Divisions, and the USAO have responsibility for litigation and prosecution of cases involving violation of the civil and criminal laws of the United States.

## **2.9 FBI**

The FBI is the principal investigative arm of the DOJ. It has primary responsibility for investigating federal employee bribery and conflict of interest cases and other violations of Federal law except those that have been assigned by law or otherwise to another Federal agency. In addition, it has the authority to investigate Federal agencies, Federal contractors, and Federal program fraud such as the submission of fraudulent TRICARE claims.

## **3.0 COORDINATION AND SUPPORT: OTHER CONTRACTORS AND EXTERNAL AGENCIES**

### **3.1 Contractor Coordination With Other TRICARE Contractors**

Contractors shall coordinate their activities and case data with other TRICARE contractors since potential fraud or abuse involving a provider, pharmacy, or beneficiary could have a direct effect on payments made by another contractor. For example, cases involving drug seeking beneficiaries should be coordinated with the MCSCs, dental contractor(s), TDEFIC contractor and pharmacy contractor. Another example would be where the suspected provider is part of a national or regional chain and the suspected fraudulent or abusive practice may be part of a pattern repeated by other members of the chain. The TMA PI shall be informed in the case report of these contacts and findings. Findings of potential fraud or abuse by another contractor shall be reported to the TMA PI by the contractor which initiated the investigation.

### **3.2 Contractor Coordination And Support With DOJ, USAO, And Investigative Agencies**

**3.2.1** DOJ has jurisdiction for criminal and civil action. Requests for information related to criminal and/or civil action must be referred to the TMA PI.

**3.2.2** The DoDIG has jurisdiction over all cases involving suspected fraud or other criminal activity under TRICARE. Requests for information by the criminal investigative arm of the DoDIG, DCIS, shall be referred to the TMA PI. Contractor contact by any other investigative agency, e.g., FBI,

MCIOS, etc., shall also be reported immediately to the TMA PI. The contractor may not release any documents or copies of documents, conduct audits, etc., at the request of any individual or agency without direction from the TMA PI.

**3.2.3** The contractor shall provide investigative and prosecutive support, at the direction of the TMA PI or OGC, by downloading claims data in no less than dBase IV+ or Microsoft® (MS) Excel spreadsheet (Version 2000 or later) format to electronic media and have the capability to compress the data using WIN-Zip self extracting software, with no less than version 2.4 or provide the data on a CD-ROM. Other documentation or data to be provided may include, but it not limited to, the original or copies of claims, explanations of benefits, original or copies of checks (front and back), provider certification forms, correspondence, medical records, audit records/findings, or any other relevant information, as requested (such as documents from other offices/units). The contractor shall have dedicated personnel and equipment available to meet the timeliness requirement of 10 calendar days for retrieval, transmission, and/or mailing of the information.

**3.2.4** The contractor shall ensure compliance with the Alcohol, Drug Abuse and Mental Health Administration (ADAMHA) Reorganization Act, Public Law (PL) 102-321 (July 10, 1992) and implementing regulations including 42 CFR Part 2, when data requested includes services related to substance abuse.

**3.2.5** The contractor must identify and provide for expert or program witnesses at Grand Jury hearings, criminal trials and civil and administrative cases at TMA PI request. An expert witness is an individual having acquired a special skill or knowledge through training or experience on a subject being discussed. This could be a professional person (medical doctor, dentist, etc.) or a technical person (lab/x-ray technician, ADP person, etc.) A prosecutor or defense attorney may request that a witness be declared an "expert witness" based on their knowledge, such as someone from the policy department or the contractor's claims processing section. Travel and per diem costs of witnesses subpoenaed by DOJ will be paid by DOJ in accordance with Federal guidelines.

**3.2.6** The contractor must provide technical and professional consultation concerning the operations and benefits of TRICARE as well as case specific information or other relevant data to investigative agencies, DOJ or USAO for both criminal and civil cases.

### **3.3 Contacts By Suspects Or Their Legal Representative**

The contractor shall refer all contacts with the contractor by the suspect or his/her legal representative (personal, letter, or telephone) to the TMA OGC. A copy shall also be provided to TMA PI.

### **3.4 Coordination With Private Business And Other Government Contractors**

Contractors shall implement procedures for and coordinate potential fraud or abuse cases with the program integrity units of their private business and other Government contractors, such as Medicare or Medicaid, subject to any federal restrictions (e.g., Privacy Act, Health Insurance Portability and Accountability Act of 1996 (HIPAA)). Procedures shall be shared with TMA PI upon request. Coordination is limited to providing summary data only (e.g., do not release protected health information).

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