Medicaid Fraud Allegations Process



START

AHCCCS receives allegation, conducts a preliminary investigation, and may informally consult with a law enforcement agency (LEA). AHCCCS determines allegation is credible.

AHCCCS determines allegation is not credible.





LEA accepts referral of Credible Allegation of Fraud and opens criminal investigation.





AHCCCS imposes payment suspension. Payments to provider stop. Providers may continue to serve Medicaid members, but will not be reimbursed.



Providers can submit written evidence demonstrating good cause and/or refuting the fraud allegation/s.

If a good cause exception is found per 42 CFR 455.23, payments to provider may continue in whole or in part.



LEA conducts an independent criminal investigation. At the same time, AHCCCS continues its investigation and provides relevant information to the LEA.



CHARGES



LEA completes investigation and files criminal charges against provider.



When the legal proceedings are complete, provider is required to repay improperly reimbursed amounts to AHCCCS and all criminal or civil penalties. Provider is terminated from AHCCCS system and excluded from current and future participation in state and federal health care systems.

*Partner law enforcement agencies are usually Medicaid Fraud Control Units (MFCUs) which investigate and prosecute Medicaid provider fraud, abuse or neglect of residents in health care facilities, and board and care facilities and of Medicaid beneficiaries in noninstitutional or other settings. MFCUs operate in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. In Arizona, the MFCU is located in the Health Care Fraud & Abuse section of the Arizona Attorney General's office. MFCUs may employ teams of investigators, attorneys, and auditors; are constituted as single, identifiable entities; and must be separate and distinct from the State Medicaid agency. Cases can be prosecuted by the Attorney General, the Federal Bureau of Investigation (FBI), and Internal Revenue Service (IRS).

FOR EXPLANATORY PURPOSES ONLY; DOES NOT INCLUDE EVERY STEP AHCCCS TAKES AS PART OF THE CAF PROCESS.

