MSHN
Mid-State Health Network

POLICIES AND PROCEDURE MANUAL

Chapter:	**Compliance**		
Title:	**Compliance Reporting and Investigations**		
Policy: ☒ **Procedure:** ☐ **Page:** 1 of 3	**Review Cycle:** Biennial **Author:** Chief Compliance Officer and Quality Improvement Council	**Adopted Date: 04.07.2015** **Review Date:** 11.10.2026	**Related Policies:** Compliance & Program Integrity

Purpose

To ensure Mid-State Health Network (MSHN) staff and its Provider Network report suspected violations, misconduct and Medicaid fraud, waste and abuse, complete investigations, and complete the required reporting in accordance with the MSHN Compliance Plan; Reporting and Investigations.

Policy

Suspected Medicaid Fraud, Waste, and/or Abuse:

MSHN staff and its Provider Network, shall report all suspected Medicaid fraud, waste, and abuse to the MSHN Compliance Officer in accordance with standards established in the MSHN Compliance Plan. Investigations shall be conducted in accordance with the MSHN Compliance Plan, Reporting and Investigations.

- Allegations involving suspected fraud will be reported to the MSHN Compliance Officer.
- Under the direction of MSHN's Compliance Officer, a preliminary investigation will be completed to determine if a suspicion of fraud exists.
- If suspicion of fraud exists, a report will be made in writing by the MSHN Compliance Officer utilizing the Office of Inspector General Fraud Referral Form.
- If there is suspicion of fraud, and involves an overpayment of $5,000 or more, MSHN's Compliance Officer will report the suspected fraud to the Michigan Department of Health and Human Services (MDHHS) Office of Inspector General (OIG).
- MSHN's Compliance Officer will inform the appropriate provider network member when a report is made to the MDHHS Office of Inspector General.
- MSHN will follow the guidance/direction provided by the MDHHS Office of Inspector General regarding investigation and/or other necessary follow up.
- All allegations within MDHHS-OIG audit referrals will be investigated to either substantiate or refute any and all items within the complaint. A detailed summary of findings will be produced and include all items outlined in the audit referral.
- All suspicion of fraud will be reported on the Quarterly OIG Program Integrity Report template.

Suspected Violations and/or Misconduct (not involving Medicaid Fraud):

MSHN staff and its Provider Network, shall report all suspected violations and/or misconduct to the MSHN Compliance Officer and/or the appropriate Community Mental Health Service Program (CMHSP) Participant/Substance Use Disorder (SUD) Provider designated Compliance Officer. Reporting and Investigations shall be conducted in accordance with the MSHN Compliance Plan, Reporting and Investigations.

- Where internal investigation substantiates a reported violation, corrective action plans will be initiated by MSHN staff or its Provider Network.
- Corrective action plans developed by the Provider Network shall be submitted to the MSHN Compliance Officer within thirty (30) days of the approved plan.
- The MSHN Compliance Officer shall review corrective action plans and ensure, as appropriate, prompt restitution of any overpayment amounts, notifying the appropriate governmental agency, coordinating with the CMHSP designee for follow-up monitoring and oversight, and implementing system changes to prevent a similar violation from recurring in the future.

The MSHN Compliance Officer will prepare a quarterly summary report of the Provider Network and direct MSHN compliance activities and present to the MSHN Compliance Committee and the Regional Compliance Committee. An annual summary report of the regional compliance activities will be presented to the MSHN Board of Directors and the MSHN Operations Council.

To the extent consistent with applicable federal and state law, including, but not limited to 42 Code of Federal Regulations (CFR) Part 2, HIPAA, and the Michigan Mental Health Code, the Pre-Paid Inpatient Health Plan (PIHP) must disclose protected health information to MDHHS-OIG or the Department of Attorney General upon their written request, without first obtaining authorization from the beneficiary to disclose such information.

Applies to:

☒All Mid-State Health Network Staff
☐ Selected MSHN Staff, as follows:
☒MSHN's CMHSP Participants: ☐Policy Only ☒Policy and Procedure
☒Other: Sub-contract Providers

Definitions:

Abuse: Provider practices that are inconsistent with sound fiscal, business or medical practices and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet the professionally recognized standards for health care.
CFR: Code of Federal Regulations
CMHSP: Community Mental Health Service Program
Fraud: The intentional deception or misinterpretation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or another person.
MDHHS: Michigan Department of Health and Human Services
MSHN: Mid-State Health Network
OIG: Office of Inspector General
PIHP: Prepaid Inpatient Health Plan
Provider Network: Refers to a CMHSP Participant and all Behavioral Health Providers that are directly under contract with the MSHN PIHP to provide services and/or supports through direct operations or through the CMHSP's subcontractors.
SUD: Substance Use Disorder
Waste: Overutilization of services, or other practices that result in unnecessary costs. Generally, not considered caused by criminally negligent actions, but rather the misuse of resources.

Other Related Materials:

MSHN Compliance Plan
MSHN Compliance Investigation Reports Office of Inspector General Fraud Referral Form
MSHN Compliance Activity Report Template
MSHN Contract Compliance Procedure
Healthicity User Access Request Form

References/Legal Authority:

1. 42 Code of Federal Regulations 455.17 – Reporting Requirements
2. 42 Code of Federal Regulations 438.608: Program Integrity Requirement
3. 42 Code of Federal Regulations, Part 2: Confidentiality of Substance Use Disorder Patient Records
4. State of Michigan/PIHP Contract: Schedule A: Statement of Work Contract Activities: R. Program Integrity
5. Michigan Mental Health Code
6. Code of Federal Regulations, Section 42: 438.608 – Program Integrity Requirements

Change Log:

Date of Change	Description of Change	Responsible Party
03.2015	New Policy	Chief Compliance Officer
03.2016	Annual Review	Director of Compliance, Customer Service & Quality
08.2016	Annual Review	Director of Compliance, Customer Service & Quality
08.2017	Annual Review	Director of Compliance, Customer Service & Quality
08.2018	Annual Review	Director of Compliance, Customer Service & Quality
09.2019	Annual Review	Director of Compliance, Customer Service, & Quality
08.2021	Bi-Annual Review; Updated references	Chief Compliance and Quality Officer
08.2023	Biennial Review; Updated reporting for suspected fraud.	Chief Compliance and Quality Officer
05.2024	Updated to include OIG feedback	Chief Compliance and Quality Officer
05/2026	Updated to include OIG required language from 6.9 report and removed reporting	Chief Compliance and Quality Officer