

**Arizona Department of Health Services  
Division of Behavioral Health Services  
PROVIDER MANUAL**

**Section 7.1**      **Fraud and Program Abuse Reporting**

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**7.1.1      Introduction**

The reporting of suspected fraud and program abuse is intended to avoid the misappropriation of Federal, State and Local funds. In the context of this section of the Provider Manual, “fraud” is considered an act of purposeful deception committed by a person or behavioral health provider to gain an unauthorized benefit. “Abuse” committed by a behavioral health provider (for purposes of this section of the Provider Manual) means activities that are inconsistent with standard fiscal business or medical practices and that result in unnecessary costs to the Arizona Health Care Cost Containment System (AHCCCS) and/or the Arizona Department of Health Services/Division of Behavioral Health Services (ADHS/DBHS) programs. Persons receiving care in the behavioral health system can also commit acts of program abuse (e.g., by loaning or selling their AHCCCS identification card).

Behavioral health providers must be cognizant of the potential for fraud and program abuse within the public behavioral health system. Fraud and program abuse can result in the misuse of Federal and State funds, can jeopardize the care and treatment of persons receiving behavioral health services and can result in monetary fines, criminal prosecution, the termination of providers and prohibition from participation in Medicare/Medicaid Programs. This section outlines the procedures for behavioral health providers to report suspected incidents of fraud and/or program abuse.

**7.1.2      References**

The following citations can serve as additional resources for this content area:

- [42 CFR 438.608](#)
- [A.R.S. § 13-2310](#)
- [A.R.S. § 36-2918.01](#)
- [AHCCCS/ADHS Contract](#)
- [ADHS/RBHA Contracts](#)
- [ADHS/TRBHA IGAs](#)
- [AHCCCS Contractor Operations Manual, Chapter 100, Section III. A](#)

# Arizona Department of Health Services

## Division of Behavioral Health Services

### PROVIDER MANUAL

#### [Office of Program Integrity Operations and Procedure Manual](#) [Section 7.4, Reporting of Incidents, Accidents and Deaths](#)

#### **7.1.3 Scope**

##### **To whom does this apply?**

- All Tribal/Regional Behavioral Health Authority (T/RBHA) enrolled persons receiving behavioral health services; and
- All behavioral health providers.

#### **7.1.4 Did you know...?**

- This section does not include reporting of physical and sexual abuse regarding persons who have been diagnosed with a Serious Mental Illness (SMI). [Section 7.4, Reporting of Incidents, Accidents and Deaths](#), contains information for reporting abuse of persons determined to have a SMI.
- T/RBHAs are responsible for ensuring that mechanisms are in place for the prevention, detection and reporting of fraud or program abuse.
- All employees of behavioral health providers must be familiar with the types of fraud and program abuse that could occur during their normal daily activities.
- ADHS/DBHS and each T/RBHA have designated a compliance officer and compliance committee designed to prevent and detect suspected fraud or program abuse.
- Any person who knowingly obtains any benefit by means of false or fraudulent pretenses, representations, promises or material omissions is guilty of a Class 2 Felony.

#### **7.1.5 Definitions**

##### [Abuse](#)

##### [Fraud](#)

#### **7.1.6 Objectives**

To identify requirements for behavioral health providers to report suspected cases of fraud or abuse.

#### **7.1.7 Procedures**

##### **7.1.7.-A Reporting of fraud and program abuse involving Title XIX/XXI funds or AHCCCS registered providers and recipients**

Upon becoming aware of a suspected incident of fraud or program abuse, including a suspected incident committed by the T/RBHA, a T/RBHA or provider has 10 working days to inform the

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AHCCCS Office of Inspector General of the suspected fraud or program abuse in writing to the address below or by submitting an online form accessible at the link below.

AHCCCS Office of Inspector General  
MD4500  
801 E. Jefferson Street  
Phoenix, Arizona 85034  
<http://www.azahcccs.gov/fraud/reporting/reporting.aspx>

Phone: (602) 417-4193 or (602) 417-4045  
Fax: (602) 417-4102  
Toll Free: 1-888-487-6686 or 1-800-654-8713 ext. 4045

In addition, T/RBHAs or providers should advise the ADHS/DBHS Corporate Compliance Officer of the report to AHCCCS by calling or writing to the contact information below.

ADHS/DBHS  
Office of Program Integrity  
1740 West Adams, #409  
Phoenix, Arizona 85007  
(602) 364-3758 or 1-866-569-4927  
Fax number: (602) 542-3940  
Email: [reportfraud@azdhs.gov](mailto:reportfraud@azdhs.gov)

## **7.1.7-B Reporting of fraud and program abuse involving Non-Title XIX/XXI funds or ADHS/DBHS registered providers or other providers and recipients**

Upon becoming aware of a suspected incident of fraud or program abuse, including a suspected incident committed by the T/RBHA, a T/RBHA or provider has 10 working days to inform the ADHS/DBHS Corporate Compliance Officer by completing the [Suspected Fraud and Program Abuse Report](#) and faxing, mailing or emailing it to the ADHS/DBHS at the address listed above. Reports of fraud or program abuse may also be taken over the phone at (602) 364-3758 or 1-866-569-4927.

## **7.1.7-C Reporting of fraud and program abuse to the T/RBHA**

In addition to notifying ADHS or AHCCCS, behavioral health providers may need to notify their contracted T/RBHA of all suspected incidents of fraud or program abuse. **[T/RBHAs may insert specific instructions and include any forms providers must submit here.]**