



# FALSE CLAIMS ACT

## Roles and Responsibilities for HHSA Providers

County of San Diego – Health and Human Services

Business Assurance and Compliance

March 2025

# Disclaimer



This slide deck is intended as a resource to assist HHSA providers with common topics related to their contractual requirements. This slide deck is not intended to be a comprehensive set of contract requirements nor legal advice. For a comprehensive description of your contractual requirements, review your contract language.

# False Claims Act



## Purpose

Enacted to combat fraud, waste and abuse committed by providers against the United States and the State of California



# Your Responsibilities



## Federal and State Requirements

- **Duty** – to prevent fraud, waste and abuse of taxpayers' dollars
- **Obligation** – to report suspected instances of fraud, waste and abuse

**OBLIGATIONS**

# Legalities



## Liability

- The False Claims Act establishes liability for any person who:

## Knowingly:

- Presents false or fraudulent claims to the US government or the State of California for payment (or conspires to do so)
- Makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved (or conspires to do so)
- Falsifies a receipt for state property or delivers less property than indicated on the receipt
- Buys or takes a pledge or public property from another not authorized to sell or pledge the property

# Legalities



## Liability (CONT)

- The False Claims Act establishes liability for any person who:

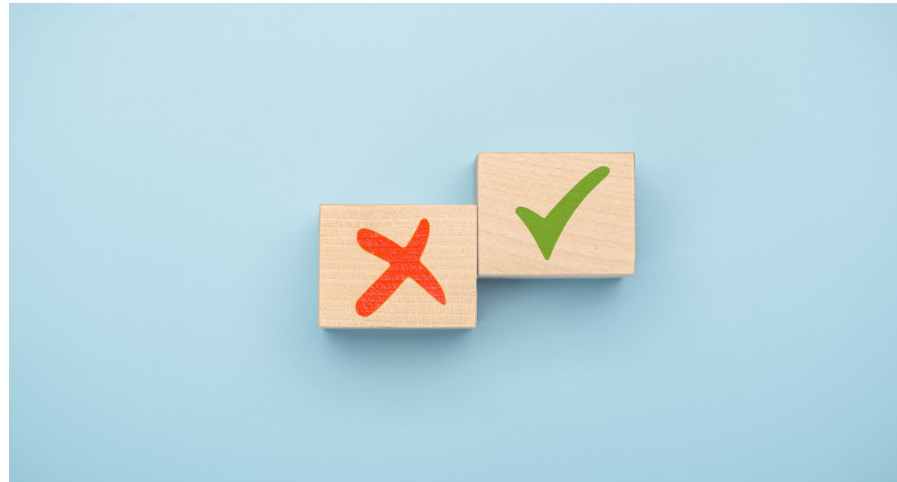
## Knowingly:

- Benefits from a false claim to the Government or State
- Makes, uses, or causes to be used a false record which supports a financial or property obligation to the Government, or decreases an obligation to the Government (i.e. tax fraud)
- Benefits from an inadvertent submission of a false claim and fails to disclose the false claim after discovery

## “Knowingly”

- Actual knowledge that the information is false
- Acts in deliberate ignorance of whether the information is true or false
- Acts in reckless disregard of whether the information is true or false

**PROOF OF SPECIFIC INTENT TO DEFRAUD IS NOT REQUIRED**



# Legalities



## Civil Penalties

### Federal False Claims Act

- Treble (3x) damages, plus
  - \$5,000 to \$10,000 per claim
  - Potential exclusion from Government programs
  - Potential suspension of Federal payments

### California False Claims Act

- Treble (3x) damages, plus
  - \$5,000 to \$10,000 per claim
  - District Attorney City Attorney, and County Counsel have option to prosecute the claim



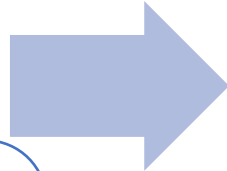
# Legalities



## Civil Penalties

### Liability Reduction

- If a false claim occurs, the court may assess “not less than” double (as opposed to 3x) damages



### IF within 30 days of discovery:

- We self report;
- We fully cooperate with any investigation;
- No legal proceeding has been commenced regarding the violation; and
- We have no knowledge of a governmental investigation of the violation



# Your Responsibilities



## Whistleblower

### "Qui Tam"

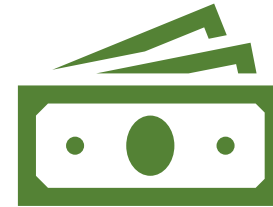
Encourages insiders (relators) to come forward with False Claims evidence



### Financial Incentives

If the Government does not intervene, the relator may receive between 25% to 30% of any recovery

If the government does intervene, the relator may receive between 15% and 25% of any recovery

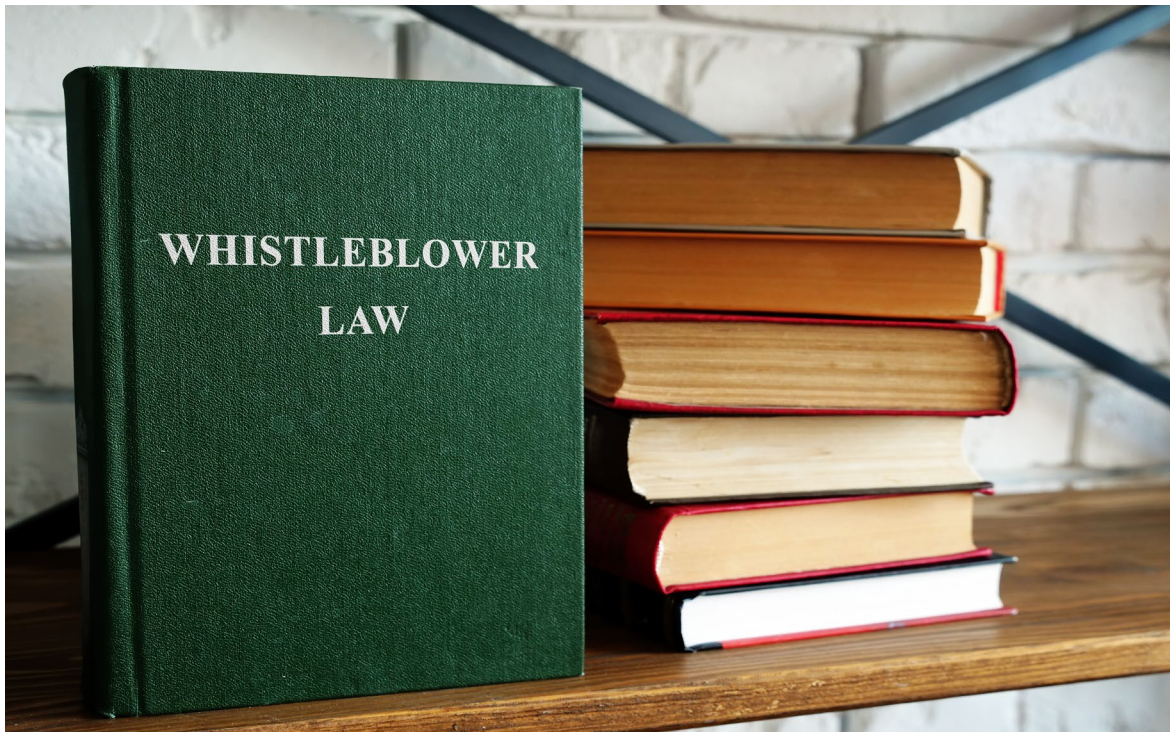


# Your Responsibilities



## Whistleblower

- Anti Retaliation Protection – Federal law protects whistleblowers




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The County takes all allegations of fraud, waste and abuse very seriously and will review all allegations thoroughly.

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Employees reporting these issues can remain anonymous if they wish, to the extent the law allows.

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# False Claims Act

Steps you should take if you suspect or have knowledge of fraud, waste or abuse of program funds, or just want to discuss a concern:



# False Claims Act



## REMEMBER

**YOU** know the programs better than anyone else

**YOU** are in the best position to know when there is a problem or concern

The best prevention against false claims is **YOUR** awareness and diligence

# False Claims Act



More questions? Ask us!



**Website:**

[www.cosdcompliance.org](http://www.cosdcompliance.org)



**Phone Number:**

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