

# Compliance “Spotlight” for Board of Directors

## ‘Y-Comply’ Relevance of Relationships and Compliance

**Relationships** typically are thought of in reference to friendships or the connections of people in groups. Ultimately, relationships always involve people, a situation, and an agreement of some form regarding that relationship. **Compliance** is the last thing most people would consider when thinking about relationships.

**Relevant** means there is a significant and demonstrable sharing or social significance of the matter at hand, so you might wonder **what the relevance of relationships is to compliance.**

The most typical relevant relationship in compliance is the situation known as **conflict of interest.**

Conflicts of interest are a clash that most often occurs between requirements and interests. Various types of conflicts of interest can occur because of the nature of relationships versus rules of organizations or federal and state laws. People can easily become **biased** (have an unfair preference) because of small things like friendship, food, or flattery, or they may be influ-

enced to make a decision because of the potential to gain power, prestige, or money. Conflicts can occur when an individual makes or influences a decision and does so for some personal gain that may be unfair, unethical, or even illegal.

**Transparency** (being completely open and frank) becomes important when dealing with both actual and perceived conflicts of interest. Perception happens when an individual observes something (behavior or activity) and comes to a conclusion. Perceiving a conflict of interest **does not** make it a conflict of interest. **The true test** of verifying whether a matter is just a perceived conflict of interest, or an actual conflict of interest, is **disclosure.**

**Disclosure**—is typically a more formal and documented process that most organizations have adopted in policy to address conflicts of interest. The disclosure process is intended to help the work force be transparent and accountable (explain or justify) for their actions and decisions. Disclosure of a potential conflict of interest does not make it an

actual conflict, but may help eliminate the perception. On the other hand, disclosure of an actual conflict of interest does not remove the conflict, but helps get it in the open to be properly addressed. It's important to disclose both perceived and actual conflicts of interest to allow others to evaluate the matter and make the decision, rather than keep it to oneself and then create an ethical or legal situation. The individual cannot make the determination as to whether it is a conflict or not, because he/she does not have an **independent and objective** point of view.

**“When in doubt, ask”** is an old saying that makes a great deal of sense when working through conflicts of interest. There is no harm in asking, but there could be a great deal of harm to an individual, the organization, or both, by not asking. It is always best to be transparent and accountable to ensure we eliminate either perceived or actual conflict of interest.

## Medical Identity Theft & Fraud

What is Medical Identify Theft?

Medical identity theft occurs when someone steals our or Care1st's members' personal information (like name, Social Security number, Medicaid or Medicare number, address, date of birth) to obtain medical care, buy drugs, or submit fake billings to Medicaid or Medicare using Care1st's members' names.

Medical identify theft can disrupt members' lives, damage their credit rating, and waste taxpayer dollars. The damage can be life-threatening to our members if wrong information ends up in their personal medical records. The damage can also impact Care1st in terms of quality care or service to our members.

DETECT, DETER, and DEFEND our Members' Personal Information or Protected Health Information!

Watch for more information in our next month's Compliance Spotlight!!!

If you suspect compliance, ethics, or integrity violation, or have questions about specific practices, please use the following resources:

- Talk to your Supervisor or Manager
- Call the Care1st HOTLINE at 1-877-837-6057. Anonymous. Available 24/7. Trained Professionals. Toll-Free

- Contact the Compliance Department at ComplianceSIU@care1st.com or ComplianceDepartment@care1st.com
- Call the Corporate Compliance Officer, Brooks Jones, CHC, at extension 6202
- Call Ellen Smart, AVP, Human Resources at extension 6203