criminal violation to an appropriate prosecuting authority.

(c) The Unit will not receive funds paid under this part either from or through the Medicaid agency.

(d) The Unit must enter into a written agreement with the Medicaid agency under which:

(1) The Medicaid agency will agree to comply with all requirements of §455.21(a) of this title;

(2) The Unit will agree to comply with the requirements of §1007.11(c) of this title; and

(3) The Medicaid agency and the Unit will agree to:

(i) Establish a practice of regular meetings or communication between the two entities;

(ii) Establish procedures for how they will coordinate their efforts;

(iii) Establish procedures for §§1007.9(e) through 1007.9(h) of this title;

(iv) Establish procedures by which the Unit will receive referrals of potential fraud from managed care organizations, if applicable, either directly or through the Medicaid agency, as required at §438.608(a)(7) of this title; and

(v) Review and, as necessary, update the agreement no less frequently than every five (5) years to ensure that the agreement reflects current law and practice.

(e)(1) The Unit may refer any provider with respect to which there is pending an investigation of a credible allegation of fraud under the Medicaid program to the Medicaid agency for payment suspension in whole or part under §455.23 of this title.

(2) Referrals may be brief but must be in writing and include sufficient information to allow the Medicaid agency to identify the provider and to explain the credible allegations forming the grounds for the payment suspension.

(f) Any request by the Unit to the Medicaid agency to delay notification to the provider of a payment suspension under §455.23 of this title must be made promptly in writing.

(g) The Unit should reach a decision on whether to accept a case referred by the Medicaid agency in a timely fashion. When the Unit accepts or declines a case referred by the Medicaid agency, the Unit promptly notifies the Medicaid agency in writing of the acceptance or declination of the case.

(h) Upon request from the Medicaid agency on a quarterly basis under §455.23(d)(3)(ii), the Unit will certify that any matter accepted on the basis of a referral continues to be under investigation, thus warranting continuation of the payment suspension.

§1007.11 Duties and responsibilities of Unit.

(a) The Unit will conduct a statewide program for investigating and prosecuting (or referring for prosecution) violations of all applicable State laws, including criminal statutes as well as civil false claims statutes or other civil authorities, pertaining to the following:

(1) Fraud in the administration of the Medicaid program, the provision of medical assistance, or the activities of providers.

(2) Fraud in any aspect of the provision of health care services and activities of providers of such services under any Federal health care program (as defined in section 1128B(f)(1)of the Act), if the Unit obtains the written approval of the Inspector General of the relevant agency and the suspected fraud or violation of law in such case or investigation is primarily related to the State Medicaid program.

(b)(1) The Unit will also review complaints alleging abuse or neglect of patients or residents in health care facilities receiving payments under Medicaid and may review complaints of the misappropriation of funds or property of patients or residents of such facilities.

(2) At the option of the Unit, it may review complaints of abuse or neglect, including misappropriation of funds or property, of patients or residents of board and care facilities, regardless of whether payment to such facilities is made under Medicaid.

(3) If the initial review of the complaint indicates substantial potential for criminal prosecution, the Unit will investigate the complaint or refer it to an appropriate criminal investigative or prosecutorial authority.

(4) If the initial review does not indicate a substantial potential for criminal prosecution, the Unit will, if appropriate, refer the complaint to the proper Federal, State, or local agency.

(c) If the Unit, in carrying out its duties and responsibilities under paragraphs (a) and (b) of this section, discovers that overpayments have been made to a health care facility or other provider, the Unit will either recover such overpayment as part of its resolution of a fraud case or refer the matter to the appropriate State agency for collection.

(d) Where a prosecuting authority other than the Unit is to assume responsibility for the prosecution of a case investigated by the Unit, the Unit will ensure that those responsible for the prosecutorial decision and the preparation of the case for trial have the fullest possible opportunity to participate in the investigation from its inception and will provide all necessary assistance to the prosecuting authority throughout all resulting prosecutions.

(e)(1) The Unit, if requested, will make available to OIG investigators and attorneys, or to other Federal investigators and prosecutors, all information in the Unit's possession concerning investigations or prosecutions conducted by the Unit.

(2) The Unit will coordinate with OIG investigators and attorneys, or with other Federal investigators and prosecutors, on any Unit cases involving the same suspects or allegations that are also under investigation or prosecution by OIG or other Federal investigators or prosecutors.

(3) The Unit will establish a practice of regular Unit meetings or communication with OIG investigators and Federal prosecutors.

(4) When the Unit lacks the authority or resources to pursue a case, including for allegations of Medicare fraud and for civil false claims actions in a State without a civil false claims act or other State authority, the Unit will make appropriate referrals to OIG investigators and attorneys or other Federal investigators or prosecutors.

(5) The Unit will establish written policy consistent with paragraphs (e)(1) through (4) of this section.

(f) The Unit will guard the privacy rights of all beneficiaries and other individuals whose data is under the Unit's control and will provide adequate safeguards to protect sensitive information and data under the Unit's control.

(g)(1) The Unit will transmit to OIG pertinent information on all convictions, including charging documents, plea agreements, and sentencing orders, for purposes of program exclusion under section 1128 of the Act.

(2) Convictions include those obtained either by Unit prosecutors or non-Unit prosecutors in any case investigated by the Unit.

(3) Such information will be transmitted to OIG within 30 days of sentencing, or as soon as practicable if the Unit encounters delays in receiving the necessary information from the court.

§ 1007.13 Staffing requirements of Unit.

(a) The Unit will employ sufficient professional, administrative, and support staff to carry out its duties and responsibilities in an effective and efficient manner.

(b) The Unit will employ individuals from each of the following categories of professional employees, whose exclusive effort, as defined in § 1007.1, is devoted to the work of the Unit:

(1) One or more attorneys capable of prosecuting the Unit's health care fraud or criminal cases and capable of giving informed advice on applicable law and procedures and providing effective prosecution or liaison with other prosecutors;

(2) One or more experienced auditors capable of reviewing financial records and advising or assisting in the investigation of alleged health care fraud and patient or resident abuse and neglect; and

(3) One or more investigators capable of conducting investigations of health care fraud and patient or resident abuse and neglect matters, including a senior investigator who is capable of supervising and directing the investigative activities of the Unit.

(c) The Unit will employ a director, as defined in § 1007.1, who supervises all Unit employees.

(d) Professional employees: