

Fraud, Waste, and Abuse Training



Fraud, Waste, and Abuse Overview

- Medicare Fraud and Abuse Laws:
 - The False Claims Act (FCA)
 - Anti-Kickback Statute
 - Stark Statute (Physician Self-Referral Law)
 - Exclusion
 - Health Insurance Portability and Accountability Act (HIPAA)

Fraud

What Is Fraud?

- Knowingly submitting, or causing to be submitted, false claims or making misrepresentations of facts to obtain a Federal health care payment
- Knowingly soliciting, receiving, offering, and/or paying remuneration to induce or reward referrals for items or services reimbursed by Federal health care programs
- Making prohibited referrals for certain designated health services

Examples of Fraud

- Knowingly billing for services not furnished or supplies not provided, including billing Medicare for appointments patients fail to keep
- Billing for non-existent prescriptions
- Knowingly altering claim forms, medical records, or receipts to receive a higher payment

Waste

What Is Waste?

- Waste includes overusing services, or other practices that, directly or indirectly, result in unnecessary costs to the Medicare Program.
- Waste is generally not considered to be caused by criminally negligent actions but rather the misuse of resources.

Examples of Waste

- Conducting excessive office visits or writing excessive prescriptions
- Prescribing more medications than necessary for the treatment of a specific condition
- Ordering excessive laboratory tests

Abuse

What Is Abuse?

- Abuse describes practices that, either directly or indirectly, result in unnecessary costs to the Medicare Program.
- Abuse includes any practice that is inconsistent with providing patients with services that are medically necessary, meet professionally recognized standards, and are fairly priced.

Examples of Abuse

- Billing for unnecessary medical services
- Billing for brand name drugs when generics are dispensed
- Charging excessively for services or supplies
- Misusing codes on a claim, such as upcoding or unbundling codes

Penalties for Fraud, Waste, and Abuse

- Fraud requires that the person have intent to obtain payment and the knowledge that their actions are wrong. Waste and abuse may involve obtaining an improper payment but do not require the same intent and knowledge.
- Penalties for violating these laws may include:
 - Civil Monetary Penalties
 - Civil prosecution
 - Criminal conviction/fines
 - Exclusion from participation in all Federal health care programs
 - Imprisonment
 - Loss of provider license

How to Report Suspected Fraud, Waste and Abuse

- Everyone must report suspected instances of FWA.
- Report suspected instances of FWA to the Office of Regulatory Affairs & Compliance. Reports may be anonymous.
 - Compliance Officer: 210-567-2014
- The Office of Inspector General (OIG) maintains a hotline and webpage that accepts and reviews tips from all sources. Suspected fraud and abuse may be reported anonymously via telephone, email, fax, mail, and on the OIG website.