Fraud, Waste & Abuse

UPMC Health Plan Quality Audit, Fraud, Waste & Abuse Department
• **FRAUD**: An intentional deception or misrepresentation made by a person or entity, with the knowledge that the deception could result in some unauthorized benefit to himself/herself or some other person.

• **WASTE**: The overuse of services or other practices that, directly or indirectly, result in unnecessary costs.

• **ABUSE**: Includes action that may, directly or indirectly, result in unnecessary costs. Abuse involves payment for items or services when there is not legal entitlement to that payment and the provider has not knowingly and or/intentionally misrepresented facts to obtain payment.
The following are notable laws which address healthcare fraud.

- False Claims Act
- Whistleblower Protection
- Anti-Kickback Statute
- Affordable Care Act
- Physician Self-Referral Prohibition Statute (Stark Law)
False Claims Act

• Knowingly and willfully executing, or attempting to execute, a scheme or artifice to defraud any health care benefit program; or to obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any health care benefit program.

• Damages and Penalties:
  • Civil Money Penalties between $5,500 - $11,000 per false claim.
  • Damages may be tripled.
  • If convicted, the individual shall be fined, imprisoned, or both. If the violations result in death, the individual may be imprisoned for any term of years or for life, or both.

18 United States Code § 1347
False Claims Act Violations

- Billing for items or services not provided.
- Unbundling
- Upcoding
Whistleblower Protection

• The False Claims Act allows Whistleblower Protection for employees, former employees, or members of an organization who report suspected misconduct to people or entities that have the power to take corrective action.

Anti-Kickback Statute

• The Anti-Kickback Statute makes it a felony for healthcare professionals, entities, and vendors to knowingly offer, pay, solicit, or receive reimbursement of any kind to induce or reward referrals of business under a healthcare program.

• Penalties and damages may include a fine of up to $25,000, imprisonment up to 5 years and exclusion from participating in certain healthcare programs.
Affordable Care Act

The Affordable Care Act strengthened healthcare fraud and abuse detection. Highlights include:

- Made obstructing a fraud investigation a crime.
- Created new healthcare fraud enforcement tools.
- Authorized stronger civil and monetary penalties for persons who knowingly make or use a false record or statement material to a false or fraudulent claim for payment.
- Penalties include possible exclusion from participation in federal healthcare programs.

Stark Law

Prohibits physicians from referring patients for certain designated health services to an entity with which the physician or member of the physician’s immediate family has a financial relationship.

- Penalties include possible exclusion from participation in federal healthcare programs and a monetary penalty of up to $100,000 for each violation.
How do I prevent Fraud, Waste & Abuse

- Make sure you are up to date with laws, regulations and policies.
- Ensure medical record documentation is kept in accordance with UPMC Health Plan and CMS guidelines.
- Ensure data/billing is both accurate and timely.
- Self-Audit and Self-Report any identified overpayments.
Audit Process

- UPMC Health Plan may conduct an audit of your billing and medical record documentation.
- UPMC Health Plan will send you a request for medical record documentation by mail.
- As part of your Participating Provider Agreement, you are contractually obligated to provide medical record documentation to UPMC Health Plan.
The Auditor will review the documentation as well as the following:

- Center for Medicare Services (CMS) guidelines
- UPMC Health Plan Policies
- Where applicable; Local and National Coverage Determinations
- Medical Necessity of service

Once the audit is complete, a post audit notification letter will be sent.
Self-Audit Websites

- Self-Audit Requirements for Medicaid and Medicare:
  - [http://www.dpw.state.pa.us/learnaboutdpw/fraudandabuse/medicalassistanceproviderselfauditprotocol/index.htm](http://www.dpw.state.pa.us/learnaboutdpw/fraudandabuse/medicalassistanceproviderselfauditprotocol/index.htm)
Best Practices

Best practices to help prevent Fraud, Waste & Abuse include:

- Develop and follow the elements of a compliance program.
- Review medical records for accurate documentation of services rendered.
- Take action if you identify a problem.
- Ask for photo identification when registering patients at the point of service.
Reporting Fraud, Waste & Abuse

• You can report suspected fraud, waste, or abuse to UPMC Health Plan through any of the following:

• Email: specialinvestigationsunit@upmc.edu

• Fraud Hotline: 1-866-FRAUD-01

• U.S. Mail:
  UPMC Health Plan
  Special Investigations Unit
  Personal and Confidential
  P.O. Box 2968
  Pittsburgh, PA 15230