

# IDENTIFYING POSSIBLE CLAIM FRAUD

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# Introduction

Fraud activity can be committed by both an insured and/or a care provider.

Insured activity may include intentionally overstating a disability, altering claim forms and submitting bills or invoices for care, services or treatment not received.

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Care provider activity may include claims submitted by bogus care providers, billing for care, services or treatment not rendered and providing care, services or treatment while under license suspension or when license to provide the care has been revoked.

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In 2006, the long term care international forum established the “long term care claims advisory committee”. The group was formed with the intent to explore and create various reference tools for long term care insurers. One of the tools the group created was a reference tool that could help front-line claims associates identify suspect claim activity schemes and scheme descriptions – a “red flag toolkit”, of sorts.

# Possible Red Flags

- Application looks “too clean” especially when compared to the APS/medical records
- Claimant/agent/atty. Provides medical records
- Sales agent is related to insured
- Time lapse between app date and paramed or filing of claim
- Applicant’s signature does not compare with other known documents

# Possible Red Flags

- Claimant residing in a NH but comes/goes as desired
- Claimant prints name on claim form signature line
- Claim submitted more than 60 days after start of care
- Claimant has an uninsured spouse with ADL/cognitive deficits and we receive a request for benefits when claimant doesn't meet required ADL triggers

# Possible Red Flags

- Claimant uses P O box, especially in metro area
- Pressure to pay claims quickly
- Evidence that home care is billed during a period of hospital confinements
- Using unlicensed practitioners and receiving benefits reserved for licensed services or higher grades of service (if the policy provisions requires licensure)

# Possible Red Flags

- Claimant is difficult to reach at home when receiving HHC
- Caregiver for one spouse may also be helping the other spouse
- Claims on two people with different last names at same address. HHA records may be duplicate

# Possible Red Flags

- EOB's returned as undeliverable
- Different HHC providers billing for same hours in same day
- The provider's address is the same as his guardian or relative's address. The provider's address is the same as the insured's address
- The invoice does not have a printed letterhead or appears to be homemade

# Fraud Claim Uncovered