

FRAUD

International Claims Specialists

ALWAYS LISTEN TO GOOD ADVICE



International Claims Specialists

The First Line of Defense



Fraud Detection/Prevention System

Fraud Detection/Prevention



1. Adopt a clear and consistent policy on Fraud

Fraud Detection/Prevention



2. Centralize all fraud detection efforts in a special unit

Fraud Detection/Prevention



**3. Share information as a key
weapon**

Fraud Detection/Prevention



4. Institute strong controls to guard against the inadvertent disclosure of confidential information

Fraud Detection/Prevention

**5. Include strong anti-fraud messages
in sales and marketing messages**

Fraud Detection/Prevention



6 Use fraud statements on claim forms

Fraud Detection/Prevention



**7. Institute strong internal controls,
including computer systems**

Fraud Detection/Prevention



8. Create awareness especially among top executives

Fraud Detection/Prevention



9. Use EOB to educate and motivate readers to spot and report

Fraud Detection/Prevention



10. Become involved in fraud seminars, workshops, regional and local networks and National Associations.

First Line of Defense



BE OBSERVANT

**FINISHED FILES ARE THE RE-
SULT OF YEARS OF SCIENTIF-
IC STUDY COMBINED WITH THE
EXPERIENCE OF MANY YEARS.**

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*There are 5 forms of
Fraud*

5 forms of fraud



1. Fraudulent creation of claims

First Line of Defense



Effective Claim

Analysis

5 forms of fraud



1. Fraudulent creation of claims
2. Overstatement of amount of loss

5 forms of fraud



1. Fraudulent creation of claims
2. Overstatement of amount of loss
3. Misrepresentation to receive payment

5 forms of fraud



1. Fraudulent creation of claims
2. Overstatement of amount of loss
3. Misrepresentation to receive payment
4. Misrepresentation to receive coverage

5 forms of fraud



1. Fraudulent creation of claims
2. Overstatement of amount of loss
3. Misrepresentation to receive payment
4. Misrepresentation to receive coverage
5. Insider fraud

Helpful Web-sites



www.bigbook.com

www.mapquest.com

www.databaseamerica.com

www.knowx.com

www.ancestry.com/ssdi/advanced.htm

Helpful Web-sites



www.newslibrary.com

www.reversephonedirectory.com

www.firstgov.com

www.cdc.gov

www.switchboard.com

Helpful Web-sites



www.dialog.com

www.fedworld.gov

www.dogpile.com

www.certifieddoctor.com

www.drugfonet.com

www.internationalclaims.com

Long Term Care



Possible Fraud Indicators (Red Flags)

Definition of Fraud:



- ⌘ Webster's: A deliberate deception practiced so as to secure unfair or unlawful gain.
- ⌘ HIAA Fraud Survey: An intentional deception or misrepresentation that the individual or entity makes knowing that the misrepresentation could result in some unauthorized benefit.....

Definition of Fraud:



⌘ What is your company's definition of fraud?

NJ Insurance Fraud prevention Act

- ☒ *One of the strongest state statues on fraud!* N.J.S.A. 17:33A-4; A person violates the Act if he or she (1) presents or causes to be presented any written or oral statement as part of, or in support of, or in opposition to, a claim for payment or other benefit pursuant to an insurance policy, knowing that the statement contains any false or misleading information concerning any fact or thing material to the claim

Avoid bad habits...



LTC Red Flags

⌘ Attending physician will not approve plan of care after FTF indicates no ADL deficits



LTC Red Flags

⌘ HHA charges for shared services with multiple clients(ex: 1 “shared” hr helping multiple clients at same facility in addition to RX care {not necessarily ALF- could be apt}).



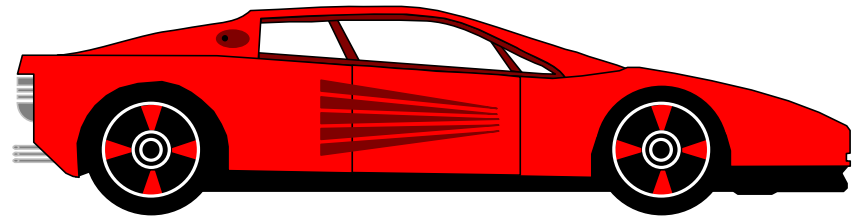
LTC Red Flags

- ⌘ PH lives in apartment (not licensed as ALF) and is not offered a choice of providers for personal care. (Residents are told which provider can be used)
- ⌘ possible kickback to management of apt building????



LTC Red Flags

⌘ Claimant drives self
while residing in a
nursing home



LTC Red Flags

- ⌘ Claimant “prints” name on signature line of claim forms
- ⌘ Husband & wife using same Dr. and Dr signature does not compare on the claims forms when compared



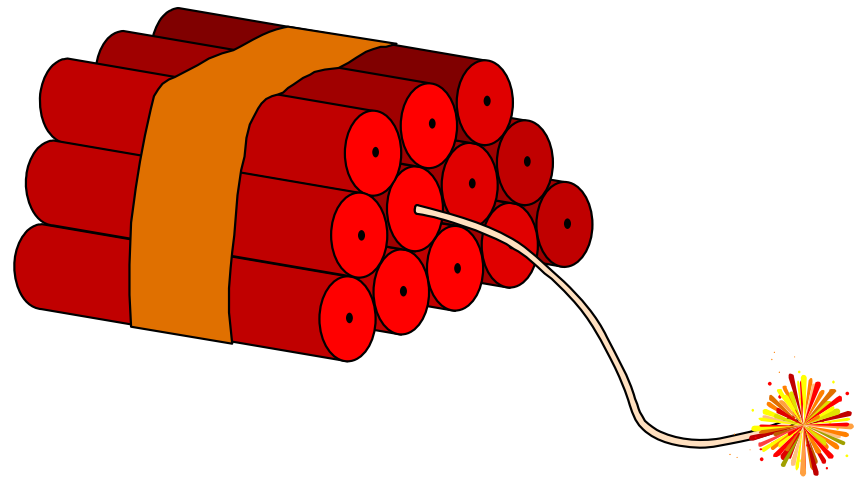
LTC Red Flags

⌘ Spouse of claimant is not insured (has ADL deficits). Insured spouse wants Assisted Living when he or she does not meet required ADL triggers



LTC Red Flags

- ⌘ Claimant uses P O Box, especially in Metro area
- ⌘ Claimant wants to avoid use of US Mail
- ⌘ Providers address is same as claimants/guardian/relative



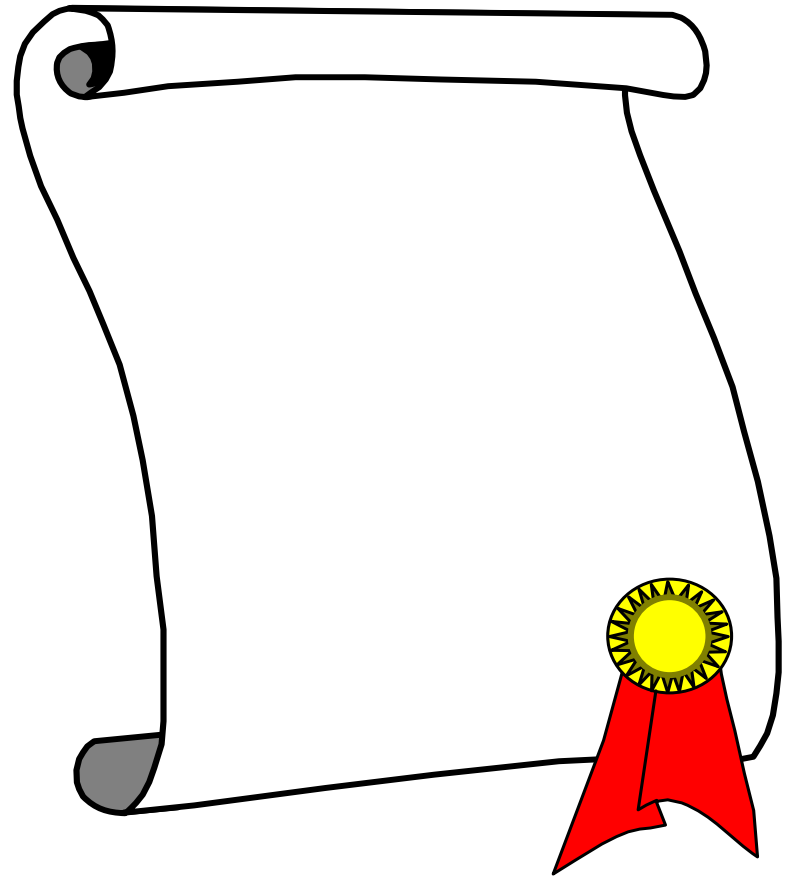
LTC Red Flags

- ⌘ Claimant has had domestic employee for years and is now filing a claim to pay for the assistance when ADL deficits are not clear
- ⌘ Unannounced visit reveals inconsistencies



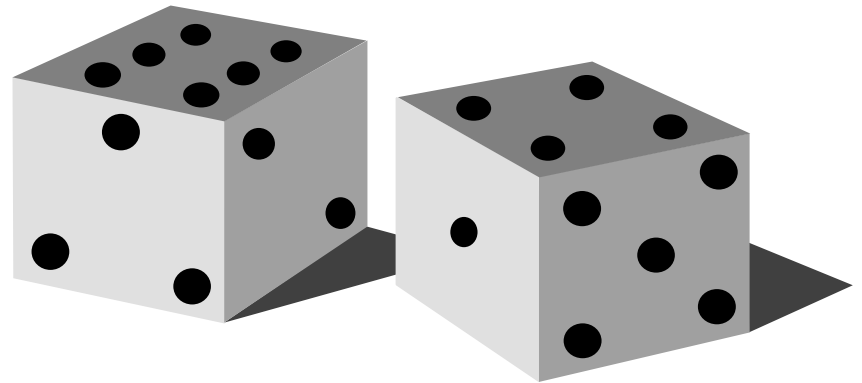
LTC Red Flags

⌘ Assisted Living / retirement facilities send restaurant and hotel licenses when asked for a copy of their health care licenses



LTC Red Flags

⌘ Private unlicensed (lay) caregiver provides IADL assistance during restoration of benefits period



LTC Red Flags

- ⌘ Assisted living facilities offer both skilled and non-skilled services - clarification of services needed



LTC Red Flags

- ⌘ Claimant is knowledgeable of insurance and medical terms
- ⌘ Claimant difficult to reach at home when receiving HHC



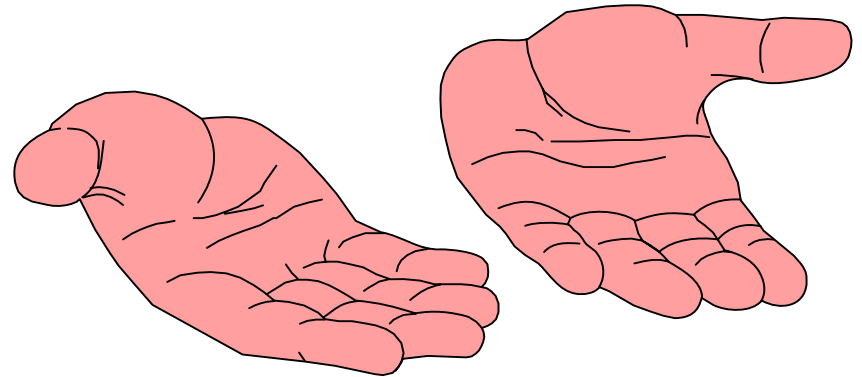
LTC Red Flags

- ⌘ Caregiver for one spouse may also be helping other spouse



LTC Red Flags

- ⌘ Claimant seeks 24 hour nursing care when receiving therapy for several hours per week
- ⌘ Items billed are inconsistent with what is normally seen for insured's condition



LTC Red Flags

- ⌘ APS/NNC/SNF appear to be copies with alterations
- ⌘ Relative complains about not receiving services shown on EOB
- ⌘ Wording is not consistent





**Always
comb
your
hair...**