Fraud, Waste and Abuse Training

Protecting the Health Care Investment
According to the National Health Care Anti-Fraud Association, "the United States spends more than $2 trillion on health care every year". Of that amount, NHCAA estimates conservatively that at least 3% - or more than $60 billion each year - is lost to fraud. Ultimately, when dollars are lost to fraud, waste and abuse, they must be recovered elsewhere and everyone suffers.

Coventry takes its responsibilities towards reducing cost, preventing waste, and uncovering potential fraud very seriously. That is because Coventry empowers all of its employees to find, reduce, eliminate, or report fraud, waste, and abuse.

This course will help you better understand what actually constitutes fraud, waste, or abuse and what you can do to prevent it. Since fraud, waste, and abuse can happen in any part of our business, this course is important for EVERYONE!

Click here to learn more
Section 1.3: Module Objectives

At the end of this course, you will be able to:

• Select the components of Coventry’s Anti-Fraud Mission Statement.
• Identify consequences of failure to control fraud, waste, and abuse.
• Identify examples of potential fraud, waste, and abuse.
• State your responsibility in preventing fraud, waste, and abuse.
Section 2.0: Introduction to Fraud, Waste, and Abuse
Who Commits Fraud, Waste & Abuse and Why?

- Fraud, waste and abuse may be committed by anyone in the health care system, whether it is a member, provider, supplier, payor or broker.

- Fraud, waste and abuse violations usually happen when someone is trying to get payment or benefits to which he/she is not entitled.

- However, the fraud, waste and abuse laws may also unintentionally be violated when you simply don’t know the rules.

It is critical that you are familiar with applicable legal and program requirements!
A number of federal laws prohibit fraud, waste and abuse. The main ones are:

**Federal Health Care Fraud Statute:** Prohibits schemes to defraud any federal health care benefit program or to obtain the money or property of such a program through false or fraudulent pretenses.

**Federal Health Care Program Anti-Kickback Statute:** Prohibits offering, paying, soliciting or receiving anything of value for the referral of federal health care program business.

**Federal Civil False Claims Act (FCA):** Prohibits knowingly submitting, or causing to be submitted, or conspiring to submit, a false or fraudulent claim for payment or approval by the government or the use of a false record or statement in support of a claim for government payment, or concealing, avoiding or reducing an obligation to pay or transmit money or property to the government.
Federal Civil Monetary Penalty Provisions: Impose fines for conduct affecting federal health care programs, including:

- Presenting or causing to be presented false or improper claims.

- Offering anything of value to influence a beneficiary to order or receive services from a particular provider.

- Arranging for the provision of items or services by suppliers or providers who are excluded from program participation.
Fraud, Waste & Abuse Laws (cont’d)

- Most states also have their own fraud, waste and abuse provisions similar to - but sometimes even broader than - the federal laws listed on the previous screen.

- Coventry has developed detailed written policies regarding compliance with specific federal and state fraud, waste and abuse laws. These policies are available on Coventry Today. Go to essentials, or Human Resources, or the Coventry Policy Center.

⚠️ You must be familiar with the applicable laws in your state as well as the federal laws and regulations.
Exclusion

The Health and Human Services, Office of Inspector General (HHS OIG) and Office of Personnel Management, Office of Inspector General (OPM OIG) have authority to exclude from participation in federal health care programs individuals and entities sanctioned for certain fraud, waste and abuse violations.

Federal agencies have general authority to debar or suspend individuals from work on government grants or contracts, or to provide services under Federal Health Care Programs like Medicare and Medicaid.
Effect of Exclusion

Once an individual or entity has been excluded or debarred from a federal or state health care program, no federal money may be used to pay for goods or services that the individual or entity provide.

In addition, any entity that knowingly employs or contracts with an excluded or debarred individual or entity for the provision of goods or services may be subjected to civil monetary penalties.
Exclusions Database

- The names of all individuals and entities excluded or debarred from federal and state health care programs are listed in databases maintained by the HHS OIG at http://exclusions.oig.hhs.gov and by the General Services Administration at http://www.epls.gov.

- For more information, see the HHS OIG Special Advisory Bulletin on the Effect of Exclusion From Federal Health Care Program Participation, available on the HHS OIG web site at http://oig.hhs.gov/fraud/docs/alertsandbulletins/effecteds.htm or the OPM web site on OPM Administrative Sanctions and Debarment http://www.opm.gov/oig.

Click on the blue links to visit the websites.
Anti-Fraud Mission Statement

Coventry will not tolerate fraud, waste or abuse in any of its relationships, and will as appropriate:

– Identify
– Report
– Monitor
– Refer for prosecution situations in which suspected fraud, waste or abuse occurs.
Anti-Fraud, Waste & Abuse Mandates

Coventry’s commitment to fighting fraud, waste and abuse is more than a company policy, it is a condition of Coventry’s participation in certain government programs, such as Medicare Part D.

As such, Coventry expects each employee to actively participate in the prevention and detection of fraud, waste and abuse. Further, each employee must know how to appropriately report suspected FWA.
Knowledge Check 1

Who is covered by the health care fraud, waste and abuse laws?
- Payors
- Patients
- Providers and Suppliers
- **All of the above**

Coventry is subject to which of the following fraud, waste and abuse laws:
- Federal Health Care Fraud Statute
- Federal Health Care Program Anti-Kickback Statute
- Federal Civil False Claims Act
- State fraud, waste and abuse laws
- **All of the above**

The penalties for breaking applicable fraud, waste and abuse laws do not apply unless you knew the law and intentionally broke it.

**True/False**
Summary

Fraud, waste, and abuse prevention is an important part of how Coventry conducts its business. Some of the most important details of this section were:

• Coventry’s anti-fraud mission statement makes clear that fraud, waste, and abuse will not be tolerated. As a company, we will identify, report, monitor, and if appropriate, refer situations for prosecution.

• Any person in the health care system can potentially commit fraud, waste, and abuse.

• Coventry is subject to multiple fraud, waste, and abuse laws at both the federal and state government level.

• If we fail to follow all fraud, waste, and abuse laws, Coventry could be excluded from doing business with state or federal government entities or with other companies who do business with state or federal entities.
Common Types of Health Care Fraud, Waste and Abuse

Health Care Fraud, Waste and Abuse can take many forms. Some common types of health care fraud, waste and abuse include:

– Intentionally misrepresenting facts regarding the payment of benefits
– Routinely waiving co-payments or deductibles
– Billing for medically unnecessary items or services
– “Unbundling” claims, or separate billing procedures instead of using a more appropriate global billing procedure
– Providing treatment that is inconsistent with the diagnosis
– Withholding medically necessary services
– Upcoding claims, or billing at a higher rate than is appropriate for the item or service provided
– Misrepresenting facts affecting eligibility for benefits, such as: employment status, health history, marital or student status, identity.
Pharmacy Fraud, Waste and Abuse

Common indicators of pharmacy fraud include:

- Billing for a brand name prescription when dispensing a generic.
- Dispensing a different medication than was prescribed.
- Altering the quantity of the prescription without proper documentation.
- Altering claims for refills submitted in excess of the refill limits set by the prescribing physician.
- Submitting hard copy prescriptions that don’t identify the prescribing physician or that don’t include a physician name on the prescription.
MCO Fraud, Waste and Abuse

Managed Care Organizations (MCOs) such as certain Coventry companies also may be investigated and prosecuted under the fraud, waste and abuse laws.

Frequently, such investigations and prosecutions are based on allegations that the MCO made false representations to the government in order to obtain higher payment for services or to retain a federal health care program contract.
MCO Fraud, Waste and Abuse

Common violations committed by MCOs include:

- Use of deceptive, misleading or coercive marketing materials and tactics.
- Engaging in discriminatory marketing and enrollment.
- Un-enrolling or refusing to re-enroll individuals needing costly services.
- Inappropriately withholding or delaying coverage of services.
- Failing to provide timely, accurate and complete data as required.
- Offering or accepting inappropriate discounts or kickbacks for the referral of government program business.
Fraud Warning Signs

The following are some common warning signs of fraudulent claims:

– Misspelled medical terminology or terminology described in lay terms.
– Handwritten bills.
– Consistent submission of photocopied claims instead of originals.
– Lack of treatment documentation from providers.
– Services that were advertised as free.
– Pressure from the provider or member for same day claim payment and/or special handling.
– Threats from providers or members to file lawsuits or complaints with state attorneys or agencies, or to contact the president of the company.
– Excessive distance between patient and provider addresses.
– All family members treated by same doctor on same date, same prescriptions.
– Patient and provider have same last name and/or address.
– Similarity of patient/provider handwriting.
– Bills reflecting multiple spellings of the insured’s name.
– Bills reflecting a different address for insured and his/her dependents.
– A high number of claims for dependent children.
– A large number of members from one group going to the same facility or same provider.
– Change in diagnosis as benefit expires (e.g. Psychiatric, Chiropractic).
– Inordinate number of rare diagnoses.
– Inconsistency between provider’s specialty and treatment.
– Claims for questionable, experimental or investigational procedures or diagnoses.
– Claims for extensive treatment for minor injuries or illnesses.
– Claims for excessive periods of hospitalization.
– Claims for serious illness/injury abroad with no medical follow-up in U.S.
– Use of multiple pharmacies and providers for treatment.
– High dollar claims soon after coverage starts or shortly before it ends.
Knowledge Check 2

You should have proof that a fraud has been committed before you report any fraud, waste and abuse concerns.
True / False

Benefits eligibility is one area where fraud is common. Which of the following types of fraud occur frequently in this area?
A) Misrepresentation of marital or student status
B) Misrepresentation of health history
C) Misrepresentation of place of birth
D) All of the above
E) A and B only

Common indicators of pharmacy fraud include
A) Dispensing a different medication than was prescribed
B) Transferring a prescription to a different pharmacy
C) Billing for a brand name prescription when dispensing a generic
D) A and C only
E) All of the above
Summary

Fraud, waste, and abuse can take many different forms. Some of the most important details of this section were:

Three of the most common types of fraud include pharmacy, managed care organization (MCO), and electronic claims fraud.

Some examples of fraud warning signs include misspelled medical terminology, handwritten bills, lack of treatment documentation, pressure from the provider or member to pay claims on the same day, similarity of provider/patient handwriting, and extensive treatment for minor injuries or illnesses.
Fraud, Waste & Abuse Compliance

- Remember, Coventry requires *all* employees to comply with *all* applicable federal, state and local laws, regulations and program requirements.

- If you have any questions regarding the law or program requirements that apply to your job, you should consult your supervisor, manager or a Coventry Compliance Officer.
Fraud, Waste & Abuse Compliance

In addition, if you suspect any Coventry employee or vendor to be violating laws, engaging in misconduct or unethical behavior, you must immediately report them to one of the following:

– Your supervisor, manager or Human Resources representative.
– A Coventry Compliance Officer (including the Medicare Compliance Officer for Medicare matters).
– Coventry legal counsel.
– The Special Investigations Unit (SIU).
– The Coventry Comply Line. All calls made to the Comply Line can be made anonymously.

877-CHC-LINE (877-242-5463)
Internal Reviews

As part of Coventry’s efforts to prevent, identify and correct potential violations, Coventry conducts periodic reviews of its operations.

– For example, the Medicare Compliance Department maintains an internal audit work plan with scheduled and unscheduled audits of the Medicare operations. These audits include, but are not limited to, marketing, enrollment, data submitted to the Center for Medicare and Medicaid Standards (referred to as CMS), appeals and oversight of delegated vendors.
Special Investigations Unit (SIU)

- Coventry has established a Special Investigations Unit (SIU) consisting of review nurses, investigators and data analysts.

- There are two distinct SIUs within Coventry: the Coventry SIU and the Federal Employee Health Benefits Program (FEHBP)/Coventry National Accounts SIU.

- Investigational jurisdiction is based on business lines. This separation is due to factors such as type of business being serviced, specialization of duties and reporting structure.

- The responsibilities of both SIUs are to protect Coventry by working together to detect, investigate and prevent fraud, waste and abuse.

- Many of the SIU’s functions are required by law.
SIU Referrals

You can report suspicious activity or other concerns to the SIU as follows:

Coventry SIU Hot Line
1-866-806-7020, Option 1
*Messages can be left anonymously.*
Email: CoventrySIU@cvty.com
Fax: 724-778-6827

FEHBP & National Accounts Hotline
1-866-806-7020, Option 2
*Messages can be left anonymously.*
Email SIU: Referrals-FEHBP-NA@cvty.com
Fax: 301-517-2005

Reports can also be made to the Coventry Comply Line:
1-877-CHC-LINE (1-877-242-5463)
Knowledge Check 3

The Special Investigation Unit (SIU) is an appropriate body to report any concerns about fraud, waste and abuse.

True / False

Employees only have an obligation to report suspected fraud, waste and abuse involving parties outside of Coventry. Employees have no obligation to report suspected fraud, waste and abuse, involving Coventry employees or the Board of Directors.

True / False
Module Conclusion

All employees are required to follow all fraud, waste, and abuse policies. Some of the most important details of this section were:

• If you suspect any Coventry employee or vendor of violating laws or engaging in misconduct or unethical behavior, you must report it.

• You can report suspected fraud, waste, and abuse to your manager/supervisor, the Coventry Comply Line, a Chief Compliance Officer, Coventry Legal Counsel, or the Special Investigations Unit (SIU).

• The Special Investigations Unit (SIU) investigates suspected fraud, waste, and abuse violations. The SIU is made up of review nurses, investigators, and data analysts.
Final Assessment

Instructions

For this quiz you will be given a series of 5 questions, Select the best choice for each question. You must pass the quiz with at least 80% in order to complete this module.
Congratulations!

Once you have passed the quiz, you will have completed the course on Fraud, Waste, and Abuse. If you have not yet taken them, there are two other modules that must be completed as part of the Coventry Compliance and Ethics program Training. They are titled “Code of Business Conduct and Ethics" and "Privacy and Security."

In addition, you must sign the Attestation of Completion and the Confidentiality Agreement.

To close this course, click on the close button (x) in the upper right hand corner.