



FRAUD, WASTE AND ABUSE

Public Awareness Program Training

What is compliance?

Compliance is an organizational culture that fosters the prevention, identification, and remediation of conduct that fails to comply with applicable law and/or an organization's own ethical and business standards of conduct.



It is a way of preventing and responding to Fraud, Waste and Abuse in our healthcare operations.




It is doing the right thing in the right way!

ArchCare is committed to conducting our business with integrity and in compliance with applicable laws and regulations.



The **ArchCare FWA** prevention program is designed to identify and eliminate FWA.



Fraud includes obtaining a benefit through an intentional false statement, misrepresentation or concealment of material facts.

Waste is spending that can be eliminated without reducing quality of care, i.e. deficient management, practices, or controls.

Abuse includes excessively or improperly using government resources; providing substandard quality of care.

FRAUD

Fraud involves making false statements or misrepresentation of material facts in order to obtain some benefit or payment for which no entitlement would otherwise exist. The acts may be committed for the person's own benefit or for the benefit of another party. In order to be considered fraud, the act must be performed knowingly, willfully and intentionally.

Examples:

- ▶ To purposely bill for services that were never given or to bill for a service that has a higher reimbursement than the service produced.
- ▶ Misrepresenting who provided the services, altering claim forms, electronic claim records or medical documentation.
- ▶ Accepting kickbacks for member referrals.

WASTE

Waste is spending that can be eliminated without reducing quality of care, i.e. deficient management, practices, or controls. Waste also refers to useless consumption or expenditure without adequate return, or an act or instance of wasting.

Example:

- Providing services that are not medically necessary.
- Overtreatment.
- Poor execution or lack of widespread adoption of best practices, such as effective preventive care practices or patient safety best practices.

ABUSE

Abuse describes provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in: an unnecessary cost to the Medicaid and Medicare program; reimbursement for services that are not medically necessary; or services that fail to meet professionally recognized standards for health care.

Examples:

- ▶ Billing for a non-covered service;
- ▶ Misusing codes on the claim (i.e., the way the service is coded on the claim does not comply with national or local coding guidelines or is not billed as rendered); or
- ▶ Inappropriately allocating costs on a cost report.

WHO CAN BE INVOLVED IN FWA?

MEMBERS
PATIENTS

EMPLOYEES

HEALTH PLANS

PROVIDERS
PRESCRIBERS

MANUFACTURERS

PHARMACIES

PHARMACY
BENEFIT
MANAGERS

Examples of FWA/Compliance Issues

Duplicate billing for the same service

Billing for services not provided

Misrepresenting the identity of the provider, the date of service or description of services provided

Identity Theft

Misuse of authority for personal gain

Vendor kickbacks

Overusing medical services and products

Accepting gifts from vendors or patients

Providing services or products that are not medically necessary

Providing services inconsistent with professional standards

Authorizing or receiving payments for goods not received or services not performed

Authorizing or receiving payment for hours not worked

HOW AND WHERE TO REPORTING OVERPAYMENT

toll free - anonymous - always available

THE CORPORATE & CORPORATE ETHICS
HOTLINE

1-800-443-0463

www.archcare.ethicspoint.com

Persons reporting a violation cannot be subjected to retaliation.