



# US Healthcare Fraud Schemes

6 Fraud Schemes to be on the look out for



Case IQ<sup>TM</sup>



### Medicare Parts A & B Fraud

Medicare Part A covers hospital and in-patient care, while Part B covers other medical insurance needs (e.g. doctor visits, lab tests, preventive services). Examples of Parts A & B fraud:

- Billing for services not rendered
- Medical identity theft
- Billing for unnecessary services.



### Medicare Part D Fraud

Medicare Part D is an optional prescription drug benefit. Examples of Part D fraud:

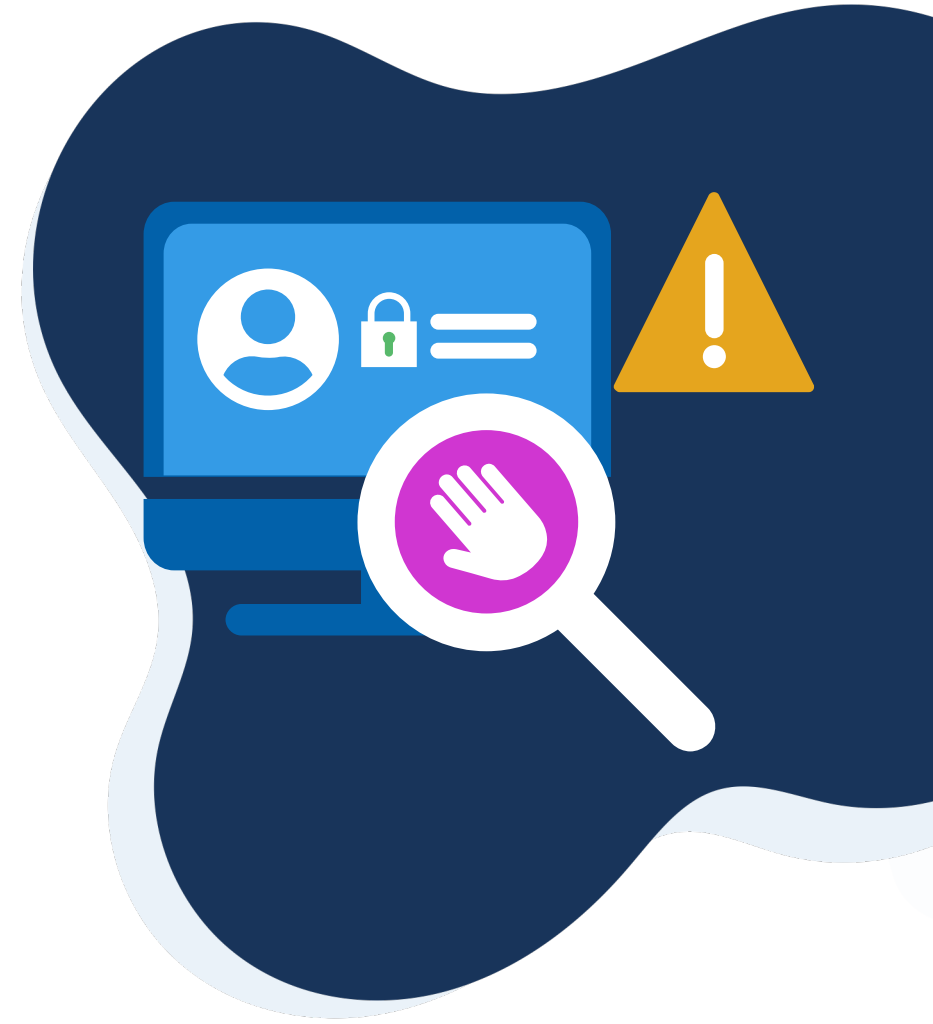
- Selling and abusing drugs covered by Medicare
- "Doctor shopping" to obtain multiple identical prescriptions
- Dispensing generic drugs but billing for the name brand



### Durable Medical Equipment Fraud

Durable medical equipment (DME) is healthcare equipment such as wheelchairs, crutches, hospital beds and oxygen equipment. Examples of DME fraud:

- Unbundling equipment that should be billed together
- Providing defective or inferior equipment
- Duplicate billings for the same equipment.





## Fraudulent Drug Treatment Centers

Fraudulent drug treatment centers and sober homes make a profit by keeping patients in a relapse cycle. By allowing or even encouraging drug use, they ensure the patients don't get better so they can continue to bill insurance providers.



## Kickbacks and Bribes

Kickbacks are payments or gifts given from one person to another in exchange for business. Examples:

- Accepting payment for referrals to clinics or secondary treatment centers
- Paying for patient referrals
- Payment in exchange for prescribing a manufacturer's drug
- A hospital system pays incentives to doctors who refer patients there



## Conflicts of Interest

Healthcare providers often have financial interests in facilities including labs, offices and hospitals. If they refer patients to these facilities as a way to make extra money for themselves, it's a conflict of interest and prohibited by the Stark Law. Examples:

- A doctor refers a patient to a lab in which they have an investment interest
- A hospital provides cheaper office leases to doctors who refer patients there

