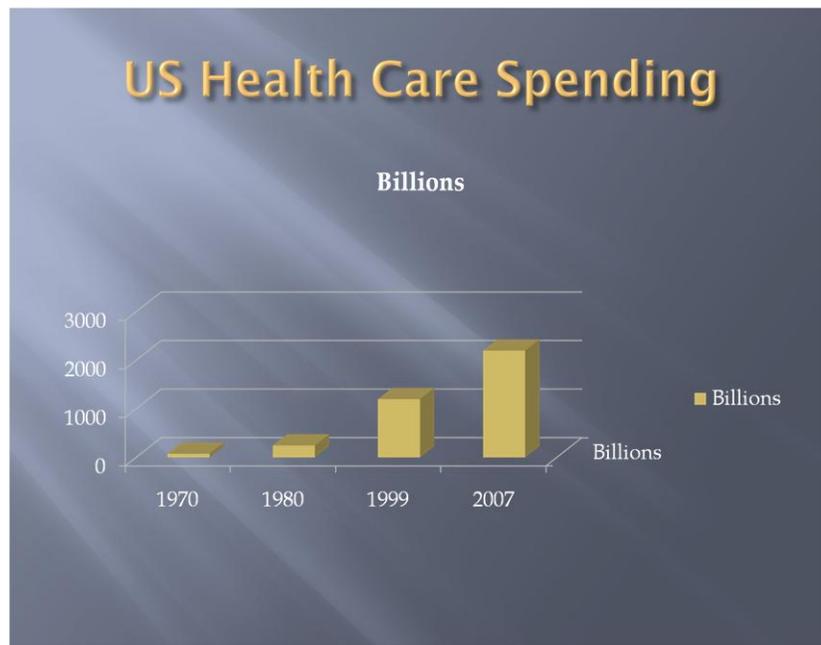


Focus: Health Care Fraud

During the 2006 Fiscal Year, the federal government won or negotiated approximately \$2.2 billion in health care fraud judgments and settlements. But that is just a fraction of what health care fraud costs American consumers and taxpayers, out of more than two trillion dollars that we spend on health care each year.



The U.S. Attorney's Office in Rhode Island prosecutes health care fraud – both civilly and criminally.

In a proactive approach, Assistant U.S. Attorneys Adi Goldstein and John McAdams recently addressed about 50 physicians at Memorial Hospital in Pawtucket. The goal of the presentation was to educate physicians about federal efforts to combat health care fraud, and to enlist their assistance in protecting patients and taxpayers from fraud. The presentation was made at the request of Dr. Robert Crausman, chief of the Rhode Island Board of Medical

Licensure and Discipline, as part of a series known as the Medical Grand Rounds.

Topics included an overview of federal spending on Medicare and Medicaid, the differences between civil and criminal health care fraud, and examples of common health care fraud schemes. Such schemes include billing for services not rendered or over billing, also known as “upcoding,” scams involving durable medical equipment, kickbacks, drug diversion, pharmaceutical fraud, and the improper prescribing of controlled substances and anabolic steroids.

Health care cases prosecuted federally in Rhode Island – both civilly and criminally – include billing by an ambulance company for medically unnecessary trips; improper record keeping of pharmaceuticals that a physician transported from his practice to his home; diverting free pharmaceutical samples to a pharmacy for sale; and upcoding – charging Medicare for services that reimburse at a higher rate than the services that were actually performed.

Types of Health Care Fraud

- ❑ Billing for Services Not Rendered
- ❑ Up-Coding - overbilling for services rendered
- ❑ Medically unnecessary services
- ❑ Failure of Care - (Nursing Homes)
- ❑ Durable Medical Equipment scams
- ❑ Program Integrity (Antikickback/Stark)
- ❑ Pharmaceutical Fraud
- ❑ Drug Distribution / Diversion

Additional resources:

National Health Care Anti-Fraud Association [NHCAA](#)

Department of Health and Human Services – [Office of Inspector General](#)