

FRAUD & ABUSE PROGRAM

Policy Statement:

The Lovelace Health Plan (LHP) Fraud & Abuse Program is dedicated to detecting, investigating, and preventing all forms of suspicious activities related to possible health insurance fraud or abuse, including any reasonable belief that insurance fraud will be, is being, or has been committed.

Background:

Healthcare fraud & abuse affects everyone, including employees, members, providers, and sub-contractors. LHP has written policies, procedures, and an Anti-Fraud Plan to address the prevention, detection, and investigation of suspicious activity. LHP also conducts fraud & abuse training and regularly publishes educational and informative articles in LHP newsletters.

Lovelace Health Plan, in compliance with the State of New Mexico Medical Assistance Division (Medicaid), Insurance Fraud Bureau (Commercial), Office of Inspector General (Medicare) and Office of Personnel Management (Federal Employee Health Benefits Program), has put in place a fraud & abuse program designed to meet regulatory requirements and protect health plan members, providers, and employees.

Definitions of Fraud & Abuse:

Fraud- An intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself/herself or some other person. It includes any act that constitutes fraud under applicable federal or state law.

Abuse- Provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to Health programs, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care. It also includes recipient practices that result in unnecessary costs to the Health program.

Examples of Potential Fraud, Abuse, or Suspicious Activity:

Falsifying Claims/Encounters

Alteration of Claim
Incorrect Coding
Double Billing
Billing for services not provided
Misrepresentation of services/supplies
Substitution of services

Delivery of Services

Denying access to services/benefits
Limiting access to services/benefits
Failure to refer for needed services
Under-utilization
Over-utilization

Administrative/Financial/Broker

Kickbacks/Stark violations
Fraudulent credentials
Fraudulent enrollment practices
Fraudulent recoupment practices
Embezzlement

Member Eligibility Fraud

Eligibility determination issues
Resource misrepresentation
Residency
Household composition
Income
Citizenship status
Prescription alteration/forgery
Durable Medical Equipment theft
Misrepresentation of medical condition
Failure to report third party liability

Member Abuse

Physical abuse
Mental Abuse
Emotional abuse
Sexual Abuse
Neglect
Discrimination
Providing substandard care
Financial exploitation

Medicare Part D Fraud, Waste, and Abuse:

Medicare Part D is the new prescription drug benefit as part of the Medicare program. Along with the benefits of this program come opportunities for potential fraud waste and abuse. Some of the potential fraud waste and abuse violations include:

Billing for services not furnished and/or drugs not provided
Billing non-covered prescription as covered items
Billing for expired drugs
Dispensing without a prescription
Billing for recycled prescription drugs
Billing for brand when generics are dispensed
Altering scripts or data to obtain a higher payment amount
Misrepresentations of dates, descriptions of prescriptions or services

The Lovelace Health Plan Fraud & Abuse unit along with the Medicare Drug Integrity Contractor (MEDIC) are working together to combat all potential violations.

How to Report Potential Fraud, Abuse, or Suspicious Activity:

If you suspect insurance fraud, abuse, or suspicious activity has occurred, is occurring, or will occur, please report it immediately through any of the following ways:

- Fraud & Abuse Telephone Hotline: (505) 232-1884
- Fax Info to the Fraud & Abuse Dept: (505) 262-3010
- Mail: Lovelace Health Plan
Attn: Fraud & Abuse Department
4101 Indian School Rd
Albuquerque, NM 87109

In addition to the above reporting resources you may report potential Medicare Part D drug violations to the MEDIC at 1(877) 772-3379.

All reports are treated as confidential and will be investigated as appropriate, including applicable referral to law enforcement and regulatory bodies. Please include as much detail as possible to ensure our ability to investigate each issue. Reports may be made anonymously.