


Fraud, Waste, and Abuse Update

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Agenda

- Introduction
- Regulatory Changes
- FWA Training
- Chapter 9 Guidance
- FWA Trends
- FWA Actual Case
- Program Integrity/MEDIC Initiatives
- Protecting Your Plan


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Introduction

- **Importance of Combating Fraud, Waste, and Abuse**
- **Continued review of Part D FWA**
- **Expansion of review in Part C FWA**


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Regulatory Changes

- **Notice of Proposed Rulemaking Published October 22, 2009**
- **Changes to Compliance Program Requirements**
 - Deeming proposed for entities that are enrolled through the Medicare Program
 - Deeming proposed for entities that are accredited through DMEPOS
- **Expected Final--Spring 2010**


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FWA Training

- **FWA training requirement questions**
- **Additional guidance issued 8/21/2009 via HPMS**
 - Required topics for training
- **Regulatory proposal—will reduce number of entities required to receive FWA training**
- **CMS development of training module**
 - 2010 implementation

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Chapter 9 Guidance


Current Chapter 9

- **Designed for Part D services**
- **Used as a reference point for Part C services**

Future Chapter 9

- **CMS revamping entire Chapter 9**
- **Chapter 9 will fully address Part C and Part D**
- **Combined effort between Program Integrity Group and Program Oversight and Accountability Group**
- **Release date TBD (2010)**


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FWA Trends

- **Migration from Medicare Part B FFS and commercial schemes to Part C and Part D**
- **Affecting all sizes of plans (small and large)**
- **Expansion of areas**
 - From home infusion to PT, OT, Psych, and others


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Components of Schemes

- **Beneficiary ID theft**
 - HICNs, address changes, telephone changes, diagnosis changes
- **Provider ID theft**
 - NPIs, TINs, address changes, telephone changes
- **Phony providers**

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Part C Infusion Scheme Actual Case

Key Features

- Blocks of beneficiaries were enrolled online or telephonically
- Plan receives call from a Provider asking to verify beneficiary enrollment
- Provider submittal of claims—electronic 1500s
- Payment by plan to provider address (phony address or UPS mail box stores)
- Runner picks up checks
- Cashes checks at check cashing stores, liquor stores, quick marts, etc.
- Over 1000 false or stolen identities of providers to date

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Program Integrity/MEDIC Initiatives

Steps Benefit Integrity MEDIC is taking to identify, detect, and fight FWA

- Creation of Part C compromised beneficiary list
- Creation of Part C suspect company list
- Establishment of Part C information sharing group
- Establishment of Part D information sharing group
- Investigation of phony clinics reported by Part C plans
- Referrals/support to law enforcement


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Protecting Your Plan

- **Signs of potential FWA**
 - Returned Checks
 - Unable to verify beneficiary/provider information
 - Provider address is not valid (UPS, MailStore, inexistent address)
 - Phone numbers are mobile numbers, not landline
 - Unusual provider names (“In Excess” or “High Speed”)
 - “Coaching” of beneficiary heard in background
 - Large/unusual batch online enrollments
 - Large/unusual enrollments in same handwriting/from same physical location
 - Frequent movement of beneficiaries into/out of plan

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Questions?

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