# Fraud, waste & abuse

Compliance 2014

# What You'll Learn

- Define the terms Fraud, Waste and Abuse
- Know and recognize situations that may be fraudulent, wasteful or doesn't follow accepted or standard practices
- Discuss opportunities to prevent fraud, waste or abuse
- Identify reporting processes of fraud, waste or abuse

# What is Fraud?

- Fraud is:
  - Deliberately deceive, trick or cheat to gain advantage or something of value

- Fraud means:
  - To misrepresent services provided in an attempt to receive additional compensation

- An example:
  - Reporting that a brand name drug was dispensed when a generic was dispensed, with the intent of receiving increased federal reimbursement.

# What is waste?

- Waste is:
  - To use , consume, spend or expend resources thoughtlessly or carelessly.
- Waste means:
  - The extravagant, careless or needless expenditure of funds that results from deficient practices, system controls or decisions and results in increased costs to Federal Health Care Programs.
- An Example:
  - Improper drug utilization or other protocols that result in poor quality of care, requiring additional medications paid for with Federal Health Care program dollars.

# What is Abuse?

- Abuse means:
  - Any activities or practices that are inconsistent with sound fiscal, business, or medical practices and either directly or indirectly result in unnecessary costs to Federal Health Care Programs.
- An example:
  - Inadequate controls that result in failing to report rebates or discounts.

# Concerns:

- Fraud, Waste and Abuse costs taxpayers and insurance companies billions of dollars each year!
- Also, it can damage our public image

# Your Role:

- Prevent:
  - Be trained and educated on matters related to your role
  - Spread the message
- Detect:
  - Keep the examples in mind and look out for potential fraud, waste or abuse.
- Reporting Compliance Concerns:
  - Compliance Hotline (800-826-6762)

# Preventing Fraud, Waste & Abuse

## IT'S EVERYBODY'S BUSINESS!