



National Health Care Fraud Trends

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Office of Investigations





Overview of HHS-OIG



- HHS-OIG was established in 1976
- Our mission is to protect the integrity of the 300+ programs within HHS, as well as the health and welfare of program beneficiaries
- HHS is composed of six components, including a law enforcement branch
 - The Office of Investigations conducts criminal, civil, and administrative investigations of fraud and misconduct related to HHS programs, operations, and beneficiaries.





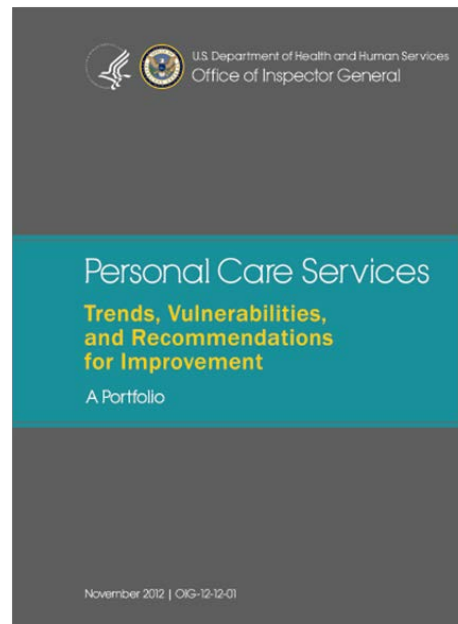
Medicare Fraud

- National Health Care Fraud Takedown in June 2016
 - Over 300 individual charges/\$900 million in false billing
 - Allegations included billing for services not rendered and medically unnecessary services:
 - Home Health
 - Durable Medical Equipment
 - Prescription Drug/Pharmacy



Home Health

- Medicare Home Health
- Medicaid Home & Community Based Services
- Criminal Enterprises
- High dollar for stolen identities
- Patient co-conspirators
- Abuse, neglect, and embezzlement
- Social targeting and medically unnecessary services



Durable Medical Equipment (DME)

- Wheelchairs
- Custom Orthotics & Ortho Kits
- Adult Diapers
- Oxygen
- Mattresses
- Nutrition Supplies
- Prosthetics
- Diabetic Testing Strips





Prescription Drug Fraud

- Fraud schemes include both controlled and non-controlled
 - Controlled (Opioids)
 - Non-Controlled (Anti-psychotics and some sleep aids)
- Potentiators such as HIV medications and neurologics
- Concern regarding specialty and orphan drugs
- Pharmacy Fraud
 - International and “gray market” can drive fraud
- Prescription drugs combined with illegal drugs
- 2015 HHS-OIG Part D Portfolio and updated Data Brief



Other Areas of Interest

- Skilled Nursing Facilities
- Hospice
- Behavioral Health Services
 - Inpatient and Outpatient
- Ambulance and Transportation Services
- Hospital and Inpatient Services (Medicare Part A)
 - Surgical Procedures
 - Oncology
- Outpatient Services (Medicare Part B)
 - Diagnostic Laboratory and Radiology
 - Genetic Testing
 - Physical Therapy





Medical Identity Theft

- Many agencies affected by identity theft
 - Most make connection to medical identity theft
- May be associated with criminal enterprises
 - Sophisticated cybercrime
- Telemarketing companies falsely represent government or managed care plans
 - Increased risk during enrollment periods
 - Seniors are often targeted
- Patient co-conspirators are also of concern

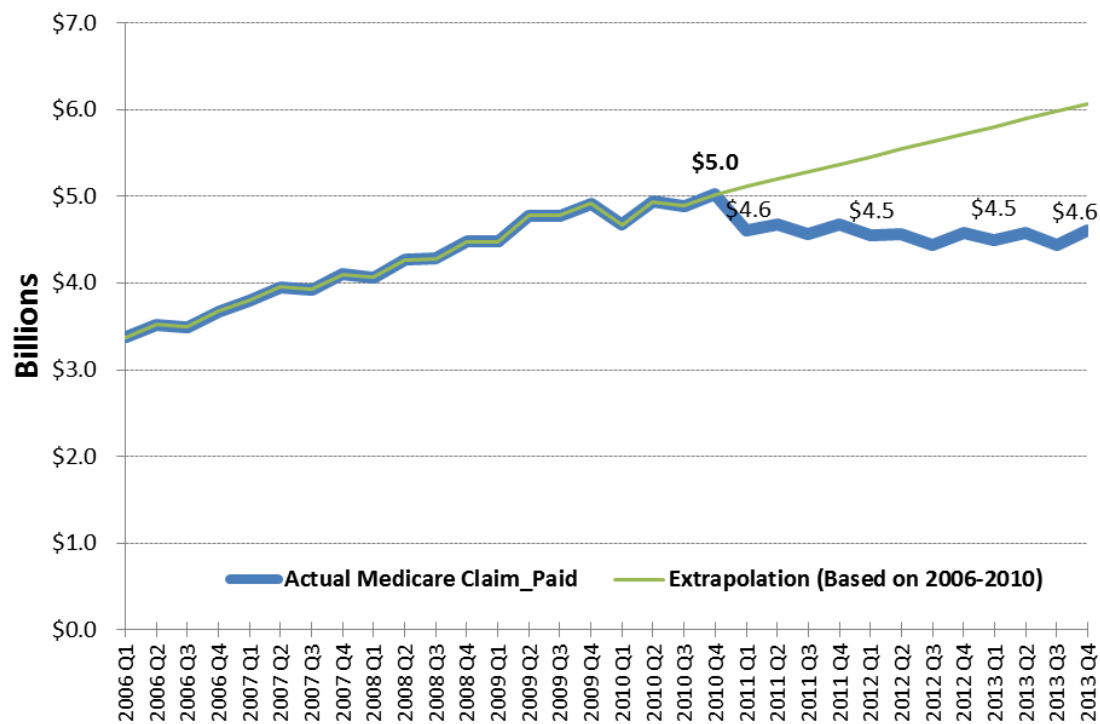




Outcomes: HHA Payment Trends

Sustained declines in Medicare payments have followed Federal enforcement and oversight action.

National Medicare Payments for Home Health Care
Calendar Years 2006-2013 (per Quarter)



- Medicare payments for Home Health care increased from 2006 until 2010
- In 2009, federal enforcement actions (initiated by the HEAT Strike Force case *U.S. v. Zambrana* in Miami), followed by the OEI HHA Outlier Payments report, influenced CMS to change Medicare's HHA outlier coverage policy
- Since 2010, Medicare payments for home health care nationally decreased by more than \$300 million per quarter (e.g., more than **\$1 billion annually**)
 - In **Miami**, payments for HHAs decreased by \$100 million per quarter since peak in 2009
 - In **Dallas and McAllen, TX**, payments for HHAs are down by \$30 million per quarter
 - In **Detroit**, payments for HHAs decreased by \$25 million per quarter since peak in 2009



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 Carmelo Lopez, Jr. DOB: 01-18-1975 Height: 5'8" Weight: 170 lbs. WANTED	 Adriano Campbell DOB: 12-21-1959 Height: 5'8" Weight: 165 lbs. WANTED
 Luis Emilio Duenas DOB: 10-25-1968 Height: 5'11" Weight: 164 lbs. WANTED	 Enel Strington DOB: 07-20-1959 Height: 5'10" Weight: 175 lbs. WANTED
 Daniel Guerra DOB: 08-15-1984 Height: Unknown Weight: Unknown WANTED	 Alex Rodriguez DOB: 12-21-1975 Height: Unknown Weight: Unknown WANTED
 Ezequiel DOB: 12-01-1982 Height: 5'11" Weight: 225 lbs. WANTED	 Jorge Portillo DOB: 05-18-1976 Height: 5'7" Weight: Unknown CAPTURED
 Luis DOB: 04-20-1978 Height: 6'2" Weight: 200 lbs. WANTED	 Luis DOB: 04-20-1978 Height: 6'2" Weight: 200 lbs. WANTED

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