



**Australian Fraud Forum
November 16, 2012
Ted Doyle**

Appendix



Issues Seen in Claims from UK and EU

EHFCN Newsletter

Top 10 worst cases of fraud

1. PFIZER INC
2. DOCTORS' LICENCES REVOKED IN \$80 MILLION TAIWAN INSURANCE FRAUD
3. U.S. DOCTOR ACCUSED OF FRAUD BY FAKING RESEARCH
4. SOUTH AFRICAN MEDICAL WASTE COMPANY INVESTIGATED FOR CORRUPTION
5. LAPTOP THEFT NETS DATA ON 800,000 U.S. DOCTORS
6. CANCER DRUGS COUNTERFEITED
7. DRUG COMPANIES ALLEGED TO HAVE RIGGED PRICES AND SUPPLY
8. THE 'WHO WANTS TO BE A MILLIONAIRE DENTIST?'
9. CHIEF INFORMATION OFFICER DEFRAUDS NZ\$17 MILLION
10. UK WOMAN USES 40 IDENTITIES AND VISITS OVER 200 SURGERIES TO OBTAIN DRUGS

<http://www.ehfcn.org/newsletter/2010/q1-2/articles/nr/268>

<http://www.ehfcn.org/newsletter/2010/q1-2/articles/nr/269>

HICFG Priority Issues

Billing Fraud

Over Charging

Over Servicing

Coding

Unbundling

Premium Fraud

Commercial Fraud

Intellectual Property Fraud

Commission Fraud

Non Disclosure Fraud

Pre Existing Injury Fraud

Reward & Incentive Fraud

Understating The Risk On Corporate
Policies

All other allegations of fraud relevant to
healthcare and private health insurance

Provider fraud

Up-coding *This is simply, charging for a service or procedure code that is more expensive than the actual procedure that was carried out.*

Unbundling *The breaking down a procedure into its separate parts and charging for each one*

Duplicate Billing *The process of systematically invoicing for the same treatment, either to different or the same payees*

Over Servicing *Carrying out more treatments or tests than is clinically indicated or necessary*

Misrepresentation *Includes phantom billing, withholding relevant information as well as presenting inaccurate or false information with the intention to defraud*

Collusion *Misrepresentation carried out between more than one party, i.e. provider and policyholder*



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has been gathered independently by Ted Doyle from referenced sources and does not reflect the opinion of OptumInsight or the UnitedHealth Group

Types of Dental (Oral) Health Care Fraud - Ireland

- **Nonrendered service**
- **Upcoding**
- **Unbundling**
- **Mischaracterisation**
- **Unnecessary dental services**
- **Routine waiver of co-payments**
- **Informal Payments**
- **Quackery and sham cures**
- **Misuse of modernization type funds**
- **Double-billing**
- **Kickbacks**

Counter Fraud Healthcare

AXA Gulf

redefining / insurance
رؤية جديدة / للتأمين



Key Facts

- *Most common schemes found in Arabia*
 - *Unnecessarily large-scale orders for high cost medications*
 - *Unnecessary Medical examinations: laboratory tests, MRIs, X-rays and CAT scan*
- *Medical ID Theft - providers normally don't check ID of patient*
- *Manipulation of patients to undergo expensive non covered procedures not covered by insurance payer, such as cosmetic eye surgery*
- *Undocumented medical termination of pregnancies and associated ultrasound tests*
- *Cosmetic procedure (gastric lap band) masked as hernia repair*
- *Services not Rendered for Radiology procedures*

Provider Fraud Examples

11/11/2008	Multiple procedure comprising		
	Arthroscopic meniscectomy (including debridement)	W8200	
	Drainage/debridement of bone(s), including sequestrectomy for osteomyelitis	W1800	
	Injection(s) into joint(s) without X-ray control	W9040	
	Billed on Code W8200 + 40%		1000.00
			<hr/>
			£ 1000.00

This is an example of pure and blatant unbundling:

- W1800, debridement is already included in the narrative and W9040 is included as part of the arthroscopy.

Therefore only W8200 should have been invoiced for.

This is an example of unbundling, K4910 is the primary procedure, K6510 is the unbundled element, which is an integral part of the K4910 procedure.

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For Professional Services

01-Sep-04	Cardiac Catheterisation under local anaesthesia K6510	490.00
	AS A SEPERATE PROCEDURE DUE TO SURGICAL COVER	
	Coronary angioplasty & stent under local anaesthesia K4910	1,300.00
		<hr/>
	Invoice total: £	10 1,790.00

MR. M.B., B.Ch. (Hons), M.Sc., F.R.C.S.
Consultant Plastic and Reconstructive Surgeon

Bupa Cromwell Hospital,
Cromwell Road,
London, SW5 0TU

Tel: +44 (0)20 7460 5663
Fax: +44 (0)20 7370 6004
enquiries@psauk.org

Standard Life Healthcare
Wey House
Farnham Road
Guildford
Surrey
GU1 4XS

Account Date: 9 July 2008
Invoice Number: 08/0360
Membership No :

M.B., B.Ch. (Hons), M.Sc., F.R.C.S.
Consultant Plastic and Reconstructive Surgeon

Tel: +44 (0)20 7460 5663
Fax: +44 (0)20 7370 6004
enquiries@psauk.org

Account Date: 9 July 2008
Invoice Number: 08/0360
Membership No 10035973

Standard Life Healthcare
Wey House
Farnham Road
Guildford
Surrey
GU1 4XS

FOR PROFESSIONAL SERVICES

Re:

Membership No:

08/07/08	Initial Consultation And Assessment	AA900	£ 180.00
08/07/08	Multiple procedure comprising Excision of suspicious lesion by shaving and cauterisation anterior left leg	S0633	
	Curettage/cauterisation of pigmented lesion extensor aspect of right forearm	S1110	
	Anaesthesia when performed by non-anaesthetist	AC100	
	Billed on Code S0633 + 40%		£ 224.00
08/07/08	Histology fees	HIST	£ 200.00
	Total		£ 604.00
	Paid		£ 0.00
	Due		£ 604.00

WITH COMPLIMENTS

F.R.C.S.
Consultant Plastic and Reconstructive Surgeon

PLEASE MAKE CHEQUES PAYABLE TO
AND SEND CARE OF THE CROMWELL HOSPITAL ADDRESS.

All invoices are payable on presentation. Further charges may be made if payment is not received within 28 days.

FOR PROFESSIONAL SERVICES

Re:

Membership No:

08/07/08	Initial Consultation And Assessment	AA900	£ 180.00
08/07/08	Multiple procedure comprising Excision of suspicious lesion by shaving and cauterisation anterior left leg	S0633	
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08/07/08	Histology fees	HIST	£ 200.00
	Total		£ 604.00
	Paid		£ 0.00
	Due		£ 604.00

WITH COMPLIMENTS

M.Sc., F.R.C.S.
Consultant Plastic and Reconstructive Surgeon

PLEASE MAKE CHEQUES PAYABLE TO PLASTIC SURGERY ASSOCIATES LTD.

All invoices are payable on presentation. Further charges may be made if payment is not received within 28 days.

000004

DR
M.B.B.S., F.R.C.R., F.F.R. [R.C.S.L.]
Consultant in Radiotherapy and Oncology
Charing Cross Hospital
Fulham Palace Road
London W6 8RF
Tel: 020 8846 1733/1740

RADIOTHERAPY / MG / KSS /3091/ 09

STANDARD LIFE HEALTHCARE
PO Box 28836
Edinburgh
EH15 1WQ
Attn: Claims Department

REF: [redacted]
Date of Birth: [redacted]
Policy No: [redacted]

TO: PROFESSIONAL SERVICES

Initial Consultation on the 2 nd January 2009 as an In-patient at The Charing Cross Hospital	250.00
In-patient care at The Charing Cross Hospital Between: 2 nd January to 12 th February 2009 (40 days) @ £60/day	2400.00
TOTAL AMOUNT DUE	£2650.00

DR.
CONSULTANT

PLEASE FORWARD REMITTANCE TO:

RADIOTHERAPY DEPT
CHARING CROSS HOSPITAL
FULHAM PALACE ROAD
LONDON W6 8RF

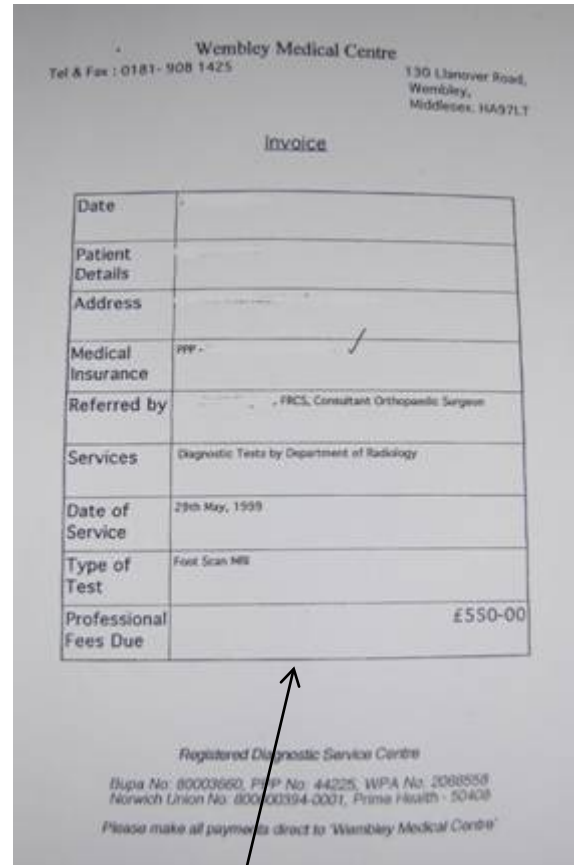
Should you have a query with this invoice please telephone 020 7808 0112.



Charging for supervision of chemotherapy, whilst skiing down a mountain slope in Colorado!! This is what we call misrepresentation!

enced sources and does not reflect the

Other Examples



MRI? Magnetic Resonance Imaging or Motion Real Image??



Example



CATHERINE BOURNE LABORATORIES
The Laboratory, Homestead Farm, [REDACTED]

INVOICE

PLEASE MAKE PAYMENT WITHIN 14 DAYS

Date : 20/05/2009
 Invoice No : 5860

AMOUNT

For Professional Services
 at the request of [REDACTED]

LABORATORY INVESTIGATIONS
 (DF2) Biochemistry, Haematology,
 Endocrinology, Immunology &
 Phlebotomy

Dated 19 May 2009 £697.00

TOTAL £697.00

Cheques payable to : Catherine Bourne Laboratories
 [REDACTED]

*If you are covered by medical insurance please settle this account directly yourself
 and you require a receipt for your claim, please send a.c.c. with your payment*

PLEASE NOTE : Payment to be made within 14 days from receipt of invoice.
 All accounts not settled by the due date may be subject to an
 additional £6.00 administration charge.

A pathology Laboratory?



Case Studies

CATHERINE BOURNE LABORATORIES
The Laboratory, Homestead Farm, 106 Galley Lane, Barnet, Herts, EN5 4RA
Tel : 020 8953 8087
Fax : 020 8953 7878

INVOICE

To: [REDACTED]

PLEASE MAKE PAYMENT WITHIN 14 DAYS

Date : 19/07/2008
Invoice No : 5058

AMOUNT

For Professional Services
at the request of [REDACTED]

LABORATORY INVESTIGATIONS
(DF2) Biochemistry, Haematology,
Endocrinology, Immunology &
Phlebotomy

Dated - 16/06/2008 £ 697.00

TOTAL £ 697.00

Cheques payable to Catherine Bourne Laboratories
ACCOUNTS DEPARTMENT

If you are covered by medical insurance please settle this account directly yourself.
Should you require a receipt for your claim, please send s.a.e. with your payment

PLEASE NOTE : Payment to be made within 14 days from receipt of invoice.
All accounts not settled by the due date may be subject to an
additional £6.00 administration charge.

CATHERINE BOURNE LABORATORIES
The Laboratory, Homestead Farm, 106 Galley Lane, Barnet, Herts, EN5 4RA
Tel : 020 8953 8087
Fax : 020 8953 7878

INVOICE

To: [REDACTED]

PLEASE MAKE PAYMENT WITHIN 14 DAYS

Date : 2/07/2008
Invoice No : 5025

AMOUNT

For Professional Services
at the request of [REDACTED]

LABORATORY INVESTIGATIONS
(DF3) Biochemistry, Haematology,
Endocrinology, immunology &
Phlebotomy

Dated 1 July 2008 £668.00

TOTAL £668.00

Cheques payable to Catherine Bourne Laboratories
ACCOUNTS DEPARTMENT
10 Nash Close
Elstree
Herts WD6 3LE

If you are covered by medical insurance please settle this account directly yourself.
Should you require a receipt for your claim, please send s.a.e. with your payment

PLEASE NOTE : Payment to be made within 14 days from receipt of invoice.
All accounts not settled by the due date may be subject to an
additional £6.00 administration charge.

Pattern's
began
emerging

Provider Fraud Examples

Consultant Otolaryngologist

Appointments & Secretary: [Redacted]
Fax: 0 [Redacted]

AXA PPP Healthcare
Phillips House
Crescent Road
Tunbridge Wells
Kent
TN1 2PL

Account Date: 21 May 2010
Invoice Number: OI14009/03

For Professional Services

Re: [Redacted]

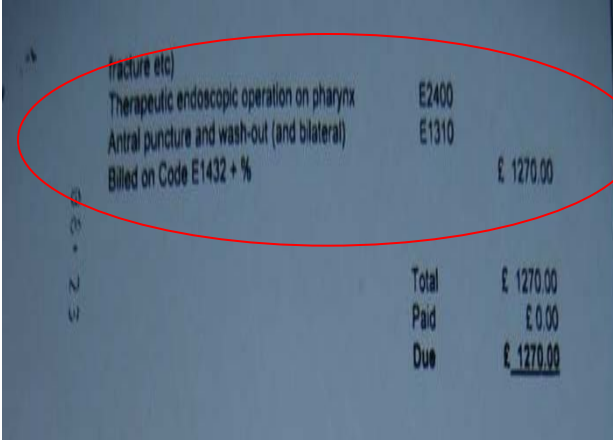
19/05/10	Multiple procedure comprising FESS Uncinectomy, ethmoidectomy, antrostomy or antral puncture inc polypectomy and attention to turbinates etc	E1432
	Septoplasty of nose	E0360
	Intranasal antrostomy including endoscopic (and bilateral)	E1330
	Reduction turbinates of nose (laser, diathermy, out	E0412

With the compliments of [Redacted]

To whom cheques should be made payable
If you wish to settle this account by internet banking,
the above amount can be transferred to the following account:
Account no: [Redacted]
Sort code: [Redacted]

It would be most helpful if the patient's name, invoice number and date of consultation could be provided in the payment narrative

Please tick if a receipt is required



fracture etc)		
Therapeutic endoscopic operation on pharynx	E2400	
Antral puncture and wash-out (and bilateral)	E1310	
Billed on Code E1432 + %		£ 1270.00
Total		£ 1270.00
Paid		£ 0.00
Due		£ 1270.00

Phantom billing

This procedure wasn't even done, medical notes proved this, as it did on 5 other patients records.

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Real Stories

Gulf News: **April 18th 2010**, 18:13 UAE local time.

38 cases of health insurance fraud, forgery and abuse uncovered in Abu Dhabi



- *Abu Dhabi: The Health Authority - Abu Dhabi (HAAD), the regulative body of the healthcare sector in the Emirate of Abu Dhabi, announced that 38 health insurance violation cases, including suspected cases of fraud, forgery and abuse had been uncovered during inspection visits conducted by the Audit Section of the Health Insurance Regulation Department at HAAD*
- *A number of these cases have been referred to prosecutors while in 18 others, fines as per the law were issued.*

Real Stories

Gulf News: April 1st 2010, 00:00 UAE local time.

Female doctor linked to insurance fraud in UAE



- *The Dubai Health Authority (DHA) is cracking the whip on doctors and patients involved in medical insurance fraud*
- *DHA have been sending out "mystery shoppers" to test how far the abuse and fraud have reached the network of insurance providers.*
- *DHA's sting operation has so far unmasked a female doctor who allegedly tried to convince an undercover patient to undergo eye surgery which is not covered under Insurance scheme*

Cooperation with Authorities

DHA Cooperating with AXA Gulf:

Services Provider removed from ENAYA network

ENAYA announces that the following service provider is removed from ENAYA networks due to misuse of public fund and violating insurance rules and conditions:

❖ **Fathi Emara Polyclinic and Medical Centre
(Dxb & Shj)**

ENAYA is requesting all insured members to report immediately if any unnecessary procedures requested or suspected by a provider that will lead to misuse of public fund and break rules and conditions of insurance to ENAYA coordinators in your respected department

We would also like to inform you that ENAYA is currently associating with other insurance companies to exchange information about service providers who violate recognized protocols.

Best Regards,

ENAYA Program - Health Funding Department - Dubai Health Authority

Real Stories

The Times of India: Jun 20th, 2011, 11.14pm IST
Axe on two pvt hospitals, 5 suspended too



- *DHANBAD: The district administration on Monday acted tough against private hospitals and nursing homes by cancelling license of two hospitals and suspended registration of five others at Dhanbad, Katras and Jharia.*
- *None of the hospitals and nursing home is maintaining records of medical termination of pregnancy or ultrasound tests carried there*
- *The civil surgeon told TOI: "There is fraud everywhere. They are running like mafia. They charge Rs 4,000 and gladly abort female fetus. They neither have any respect for the female child nor for the rules."*

Our Stories

A claim received for pre approval for threatened abortion (maternity complications), nature of conception declared as natural conception, hence medical board approved the case.

Administrative			
Membership no.:	1503/E/0	Group/Company name:	AAI 4903
Patient date of birth:		Gender:	F
Patient name:	Fadwa Ibrahim		
Policy/Group no.:	75-XC-30/04-0	Plan:	GA2
Patient phone:	55066169		
B. Medical section			
Date of treatment:	14/6/11	Medical centre name:	AAH
Symptoms presented:	VAGINAL BLEEDING		Date the patient first became aware of any signs or symptoms for this condition:
Medical condition/diagnosis:	Poda, ± 8 wks, Th. Abortion.		
Investigation (Describe necessary investigations requested to define the diagnosis):			
C. Treatment advised			
Drugs:	Treat - Concept		

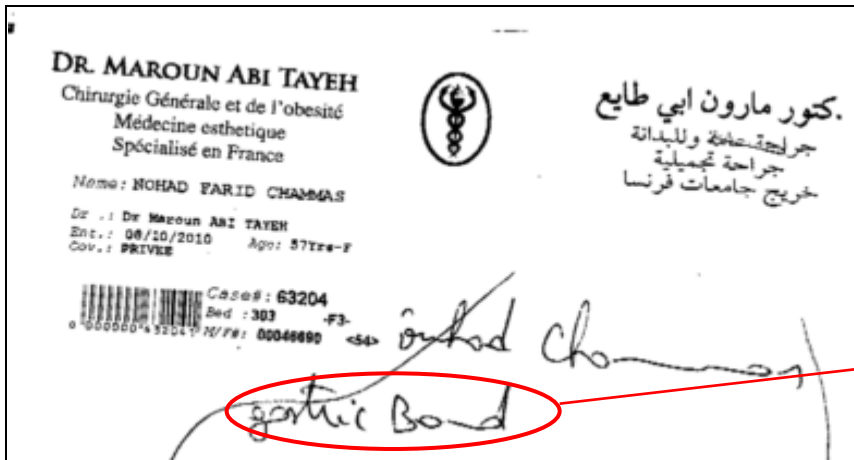
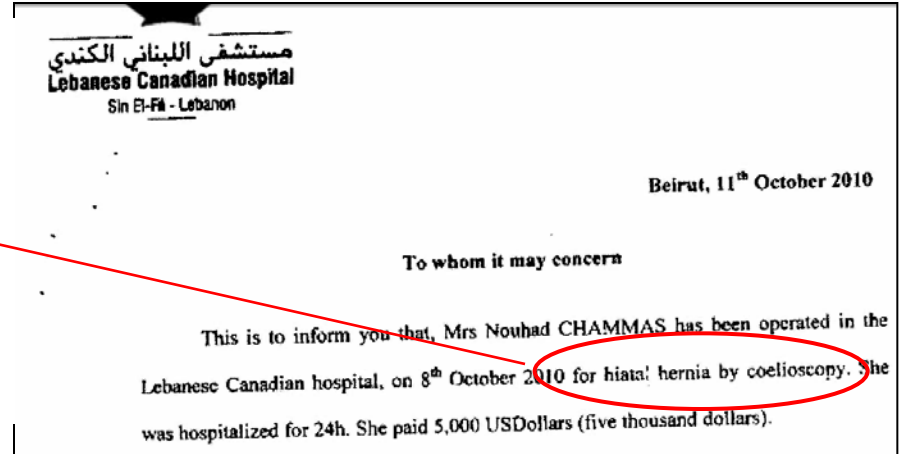
A. Administrative			
Membership no.:	1503/E/0	Group/Company name:	AAI 4903
Patient date of birth:		Gender:	F
Patient name:	Fadwa Ibrahim		
Policy/Group no.:	75-XC-30/04-0	Plan:	GA2
Patient phone:	55066169		
B. Medical section			
Date of treatment:	19/6/11	Medical centre name:	AAH
Symptoms presented:	VAGINAL BLEEDING		Date the patient first became aware of any signs or symptoms for this condition:
Medical condition/diagnosis:	Poda, ± 8 w ⁺⁵⁰ , Threatened Abortion		
Investigation (Describe necessary investigations requested to define the diagnosis):	IUF		

Later on another approval came for an extension of admission, yet the doctor declared nature of conception as IVF.

Upon checking medical record it was a case of IVF.

Our Stories

A claim received from corporate member for RI of 5,000 USD for hiatus hernia repair, seemed suspicious as the amount is huge and the treating doctor is plastic surgeon



Upon verification with the hospital in Lebanon, we were able to get in writing a confirmation that patient did gastric banding!!!

Our Stories

A claim received from a hospital in Qatar on Direct Billing, DB team paid The claim in January 2011 for CT Abdomen

Guest Invoice				Page No.		
				1 Of 1		
Invoice No.	Invoice Date	Visit Date	Visit Time			
52378	26/01/2011	26/01/2011	12:00:AM			
Guest Name	OZKEL AL-DHABET	File No	AAF1932			
Member Name	AXA CO. 305 22263	Visit No	OUT819751			
Doctor Name	Abdul Aziz, Anaam	Reference Letter	1977877			
Ins	AXA - NIL	Letter Date	26/01/2011			
Description			Total Amount	Guest Share		
350 Radiology			941.000	.000		
960 Professional Fees			95.000	.000		
The Amount Of.			Only One Thousand Thirty Six			
Total charges	Deposit	Guest Balance	Company	Discount	Commercial Discount	Amount Due
1,036.000	.000	0	1,036.000	.000	.000	1,036.000
Signature						

Invoice No :	Invoice Date :	14/02/2011					
Visit No :	Length of stay :	Day					
Admission Date : 14/02/2011	Discharge Date :						
Name:	OZKEL AL-DHABET	Age:	58				
File No:	AAF1932	Gender:	FEMALE				
Insurance Co	AXA CO.	Nationality:	CANADA				
Insurance Plan:	AXA - NIL	Doctor:	Abdul Aziz, Anaam				
Location:	Internal Medicine						
Service Code	Service Name	Service Date	QTY	Price	Guest Share	Discount	Net Amount
CTS0002	CT Scan Abdomen	02/05/2011	1.00	941.00	.00	.00	941.00
TOTAL:				941.00	.00	.00	941.00

Later on we received another claim for the same member, with different visit date, different visit number and even total amount was not the same. Our DB team picked up that treatment was the same, case of Phantom Billing



**Presentation
to the NHCAA Global Fraud Interest Group
August 2012**

The Global Challenge of Health Care Fraud

Jim Gee,

Director of Counter Fraud Services, PKF (UK) LLP

**Chair of the Centre for Counter Fraud Studies,
University of Portsmouth, UK**

UK-resident or rich Egyptian?

16 Wednesday, 15 September 2004 Evening Standard

CAIRO BUSINESSMAN HAS ASSETS FROZEN AND PASSPORT SEIZED

'NHS tourist' accused of £55,000 free care fraud

AN EGYPTIAN businessman accused of travelling to London to obtain free health care has had his assets frozen and been barred from leaving Britain.

Albert Girgis is facing claims he duped doctors into giving him £55,000 worth of free treatment.

The action against him follows a fraud investigation and is believed to be the first over so-called NHS tourism. Mr Girgis, who had treatment for a heart condition, is a

By Isabel Oakeshott
Political Correspondent

wealthy importer and exporter based in Cairo. NHS investigators claim he has been abusing the system for 13 years.

It is alleged he received thousands of pounds worth of surgery and drugs, undergoing free treatment at the Chelsea and Westminster Hospital, Hammersmith

Hospital, the Royal Brompton and Royal Marsden.

The NHS Counter Fraud Service claims the 71-year-old told doctors at the hospitals he was a UK resident entitled to free care.

During his visits for treatment, he stayed with his sister, who lives in one of London's most affluent areas, just off Kensington High Street. In an international counter-fraud operation, officials tracked down his real address — an expen-

sive Cairo apartment. Lawyers working for the NHS visited the businessman at the Kensington address yesterday, issuing a freezing order on his assets and ordering him to surrender his passport.

The freezing order prevents Mr Girgis from disposing of any assets up to the value of the NHS civil claim and costs. He is allowed £300 living expenses per week. The order also bars him from leaving Britain until the case has been resolved. He has until next Friday to pay the £55,000 or face court.

Jim Gee, chief executive of the NHS Counter Fraud Service, said: "It is unacceptable for wealthy health tourists to exploit the NHS.

"We will not allow NHS resources to be plundered by those who should and can pay for their treatment. Such people should expect tough action to be taken against them."

Health Secretary John Reid has vowed to clamp down on foreigners who travel to Britain to obtain free NHS treatment. New measures designed to weed out those fraudulently obtaining free care were introduced earlier this year.

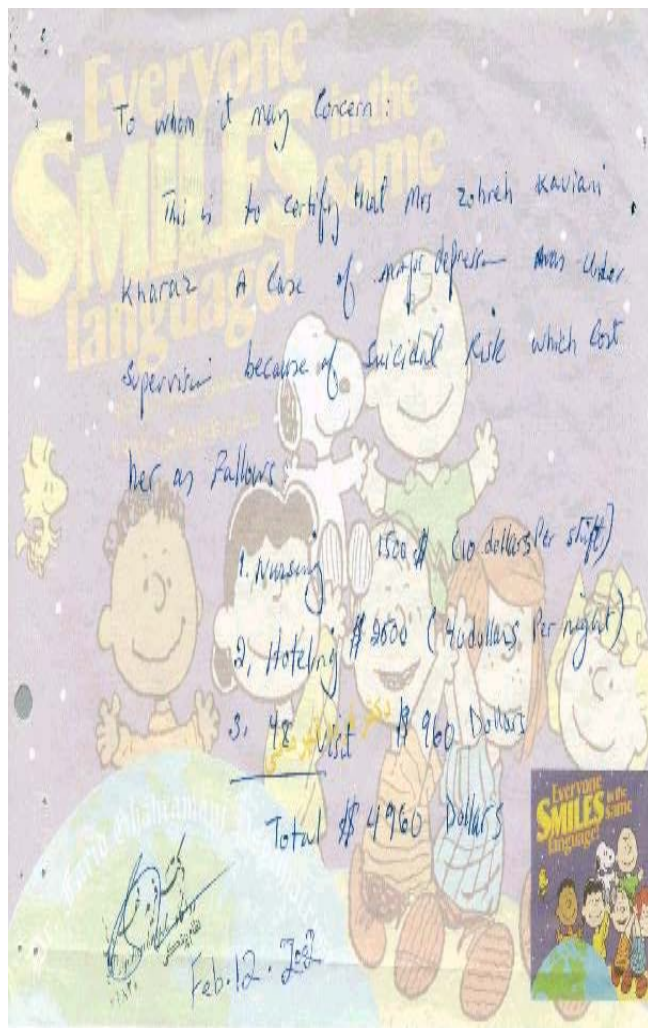
However, some NHS doctors are reluctant to help — insisting it is not their job to police the system.

The tough action against Mr Girgis will please hospital managers.

Until now, it has been left to individual hospitals to recover costs from suspected NHS tourists — an expensive and often fruitless process. Three months ago it emerged that a Ghanaian tribal chief left taxpayers with a £70,000 unpaid NHS hospital bill.

He was investigated in Egypt and the UK; a global freezing order concerning his assets was obtained – and a passport order. He repaid the money within weeks.

Health insurance fraud in Iran



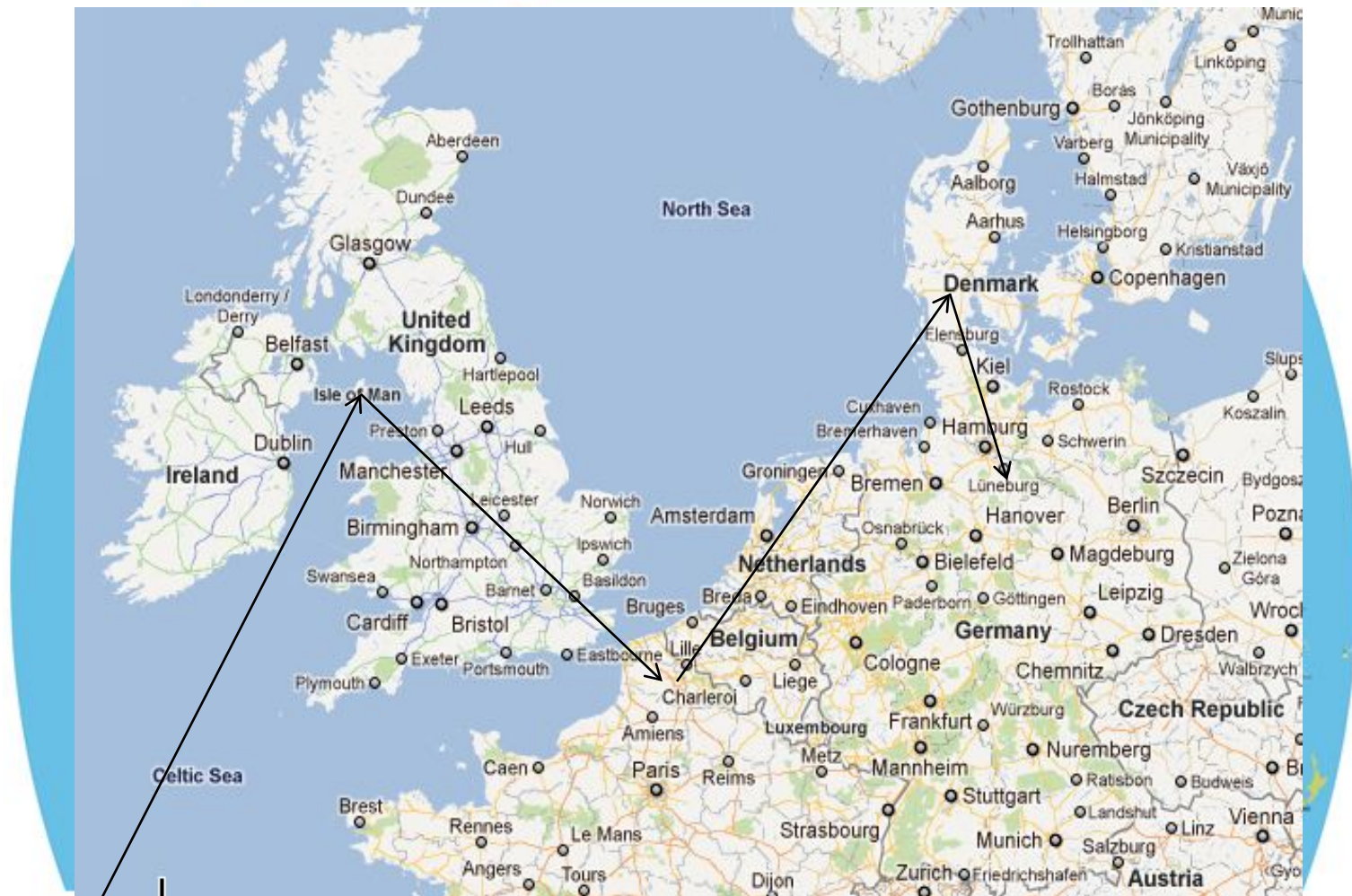
- Patients (husband and wife) on holiday in Iran
 - Both in need of urgent psychological help
 - Both taken to hospital
 - Claim: € 10.000,-
- Investigation showed claim was forged, their drug addicted son was treated

False medical certificates – Ivory Coast

A UK nurse was found to have falsely claimed sickness while on holiday in the Ivory Coast. She did this to recover two weeks holiday. However, the forged medical certificate was found to have incorrect telephone codes and the Doctor who was supposed to have treated her, in fact, was based 200 km away.



International healthcare fraud



False diagnosis of cancer in Taiwan

- In **Taiwan** three doctors admitted to conspiring with patients to defraud insurance companies of almost NT\$80 million. They had been falsely diagnosing patients with cancer – performing breast removal surgeries and chemotherapy in disease-free bodies – to file multiple payment claims. The Department of Health estimated that more than 10 hospitals were involved.



Unnecessary operations in Italy

- In **Italy** eight doctors performed unnecessary surgery in an attempt to defraud the Italian health service. The operations included unwarranted mastectomies and the unnecessary removal of a lung from a patient with pneumonia. Pier Paolo Brega Massone, the head surgeon at Milan's Santa Rita clinic, was sentenced to 15 months. He oversaw 80 such operations. An anonymous tip-off lead to wiretaps which caught the doctors talking about earning more from more invasive surgery. Prosecutors stated that at least five patients died after operations that were too risky for their condition. The frauds reportedly cost the health service £2.2 million.



Pier Paolo Brega Massone

World Health Organisation Report 2010



Fraud is one of the
'top ten' causes of
inefficiency in
healthcare
spending

http://www.who.int/whr/2010/10_chap04_en.pdf

Protecting global healthcare

I have personally seen that 'inefficiency' and advised on the protection of healthcare systems of many different types – in

- UK
- 27 other countries in Europe
- New Zealand
- China
- South Africa

Different languages but the same problems

Fraud Loss Measurement

The last 15 years

- In the UK NHS from 1998
- US Improper Payments Information Act 2002
- European Healthcare Fraud and Corruption Declaration 2005
- The UK Government Fraud Review 2006
- ‘The Financial Cost of Healthcare Fraud’ Report 2009
- US Improper Payments Elimination and Recovery Act 2010



What do the figures show?

