



## **Insurance Fraud and Abuse**

Health care fraud and abuse is a national problem that affects all of us either directly or indirectly. National estimates project that billions of dollars are lost to health care fraud and abuse on an annual basis. These losses lead to increased health care costs and potential increased costs for coverage.

Specifically, health care fraud is an intentional misrepresentation, deception, or intentional act of deceit for the purpose of receiving greater reimbursement. Health care abuse is reckless disregard or conduct that goes against and is inconsistent with acceptable business and/or medical practices resulting in greater reimbursement.

## **Policies to Prevent Fraud and Abuse**

In order to monitor services delivered to members, and to comply with federal and state laws designed to prevent fraud, waste, and abuse, Paramount maintains a comprehensive compliance program.

Paramount is a member of the ProMedica Health System (PHS). As required by the Deficit Reduction Act of 2005, all PHS employees, physicians, medical staff, contractors, and agents, must be educated on the contents of the Federal and State False Claims Laws, including legal protection for the person who reports false claims incidents to regulatory agencies.

- [False Claims Education Policy](#)

## **How to Report Suspected Fraud and Abuse**

Paramount encourages you to relay any concerns you have relative to Paramount providers and/or services you receive.

- Contact Paramount's Member Services Department for a confidential discussion at 419-887-2525 or toll free at 1-800-462-3589.
- TTY services for the hearing-impaired are available at 1-800-740-5670.
- You can also contact the ProMedica Health System Compliance Hotline at 1-800-807-2693.

- Paramount Mailing address:

**Paramount**  
Loss Prevention Team  
1901 Indian Wood Circle  
Maumee, OH 43537

- Email Address: [paramount.memberservices@promedica.org](mailto:paramount.memberservices@promedica.org)
- Fax number: (419) 724-0031

When reporting suspected fraud, please remember to include the names of all applicable parties involved. Specify which person you believe is committing the fraud, identify the dates of service or issues in question and describe in detail why you believe a fraudulent act may have occurred. If possible, please include your name and telephone number so we may contact you if we have any questions during our investigation.

### **Examples of Fraud or Abuse:**

#### ***Provider Fraud:***

- Billing for services not rendered
- Altering medical records
- Use of unlicensed staff
- Drug diversion (e.g. Dispensing controlled substances with no legitimate medical purpose)
- Kickbacks and bribery

#### ***Member Fraud:***

- Falsification of information
- Forging or selling prescription drugs
- Using transportation benefit for non-medical related business (Advantage)
- Adding an ineligible dependent to the plan
- "Loaning" or using another's insurance card
- Identity Theft

#### ***Broker and Agent Fraud:***

- Alteration of documents
- Bribery and kickbacks
- Falsification or misrepresentation of member and or group information to obtain reasonable rates. This act makes the applicant for coverage appear to be a better risk for policy acceptance.
- Failure to disclose information that may affect conditions of coverage
- Sale of non-existent policies

***Part D Medicare Prescription Drug Benefit Fraud, Waste or Abuse:***

- An individual or organization pretends to represent Medicare and/or Social Security, and asks you for your Medicare or Social Security number, bank account number, credit card number, money, etc.
- Someone asks you to sell your Medicare prescription drug card
- You feel a Medicare prescription Drug Plan has discriminated against you, including not letting you sign up for their plan because of your age, health, race, religion, income
- You were encouraged to disenroll from your plan
- You were offered cash to sign up for a Medicare prescription drug plan
- You were offered a gift worth more than \$15 to sign up for a Medicare prescription drug plan
- Your pharmacy did not give you all of your drugs
- You were billed for drugs that you didn't receive
- You believe that you have been charged more than once for your premium costs
- Your Medicare prescription drug plan did not pay for your covered drugs
- You received a different drug than your doctor ordered

***Fraud and Abuse Prevention Tips***

Simple tips that may help you prevent fraud and abuse includes:

- Review your Explanation of Benefits to ensure accurate dates of services, name of providers, and types of services reported
- Protect your insurance card and personal information at all times
- Count your pills each time that you pick up a prescription
- Research your providers with your state's medical boards
- Report suspected fraud and abuse as soon as possible

***Anti-Fraud Contacts***

**Ohio Department of Insurance**

<http://www.ohioinsurance.gov/company/insfraud.htm>

**Michigan Attorney General  
(517) 373-1110**

**Centers for Medicare and Medicaid Services (CMS)**  
<http://www.medicare.gov/FraudAbuse/HowToReport.asp>

**Office of the Inspector General (OIG) National Fraud Hotline**  
<http://oig.hhs.gov/hotline.html>

**The United States Office of Personnel Management (OPM)**  
<http://www.opm.gov/insure/health/consumers/fraud.asp>

**Additional links for questions relating to Fraud on HSA accounts:**

**The US Department of Treasury**  
<http://www.treas.gov>

**Internal Revenue Service**  
<http://www.irs.gov>

**NOTE:** Paramount is providing the above links because they may be of interest or useful to you. Paramount does not own, control, or influence these sites, and is not responsible for their content.