

***Private-Sector  
Anti-Fraud Initiatives***

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- 1. Why Private-Sector Initiatives?**
  - A. "All-Payer" Federal Offense + State Crime
  - B. Most Health Care Dollars Spent Are Private Dollars
  - C. System Volume & Complexity Provide Great Cover for Fraud
  - D. Private Sector Has Fewer, Less Powerful Legal Weapons
  - E. Nature of Crime + Federal Guidelines Dictate a Concerted Approach
    1. HIPAA Coordinated F & A Control Program
    2. DOJ Statement of Principles, 10/98
  - F. Many States Mandate Vigorous Anti-Fraud Efforts
  
- 2. Primary Focus on Fraud by Dishonest Health Care Providers**
  - A. Most Common Types
  - B. Fundamental Characteristics
  - C. Financial and Non-Financial Impact Compel Action
  
- 3. Private-Payer Anti-Fraud Activities**
  - A. Fraud-Detection Methods
    1. Claims Processing Re: Obvious Anomalies
    2. Hotline & Other Tips
    3. Sophisticated Data Analysis
    4. Sharing of Investigative Information
  - B. Investigative Capabilities
  - C. Cooperation Via NHCAA & Regional Organizations
    1. Education & Training
    2. Investigative Information-Sharing:
      - A. With Law Enforcement
      - B. Among Private Payers

- D. Potential Actions
  - 1. Criminal Referral
  - 2. Civil Litigation (individual or joint)
  - 3. Administrative Recoveries
- E. Significant Issues
  - 1. Potential Civil Liability
  - 2. Medical-Information Privacy
  - 3. Compliance with State Anti-Fraud Mandates

**4. To Be Determined . . .**

- A. Administration's Long-Term Priority & Posture
- B. Post-9/11 Allocation of Law Enforcement Resources