Fraud and Abuse

What is Fraud and Abuse?

FRAUD - An intentional deception or misrepresentation. The goal is to take money from Medicaid long-term care programs. It is important to remember that fraud is an intentional act.

ABUSE - Actions by providers, caregivers, or vendors. When these actions directly or indirectly cause the program unnecessary costs.

The most common types of fraud and abuse

BILLING FOR SERVICES THAT WERE NOT PROVIDED

Example: When a person may be scheduled to receive a service but is unable to attend. Then the provider bills for the service even though the person did not receive it.

BILLING FOR HOURS/TIME NOT WORKED

Example: This can occur when a direct care worker is scheduled and does not show up for the shift. Then the worker puts those hours on their timesheet. Showing that they worked the scheduled shift.

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SERVICES PROVIDED DURING INSTITUTIONAL STAYS

Example: Most of the time, long-term care services cannot be billed when a person is in an institutional setting. These settings include hospitals or nursing homes. Direct care staff cannot be paid for care they may provide in an institutional setting.

FALSIFYING SIGNATURES AND/OR HOURS ON A TIMESHEET OR INVOICE

This can occur in several ways:

- If a direct care staff person fills out a timesheet or invoice. Signs the timesheet, and also signs for the person for whom they provide care.
- If the program participant signs a blank timesheet and has the worker complete it without review.
- If the direct care worker submits their time to the person for whom they provide care. Then after the program participant signs the timesheet/invoice. The direct care worker adds hours to the timesheet/invoice.
- If the program participant terminates a direct care worker and does not inform the FEA. And then the worker continues to submit hours and signs for both parties.
- Double billing.

Example: This most often occurs when a direct care worker submits hours for the same time and day, for two different program participants who do not live in the same location. Or if two staff submit hours for the same service when they are not approved to do so.

KICKBACKS

There are two primary situations that can occur:

- A program participant hires a direct care worker and asks the worker to give them a percentage or amount from their check.
- A provider/vendor agrees to provide services with the promise that the program participant will receive a portion of the provider/vendors' reimbursement.

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