

News Release

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Contact: HHS Press Office

(202) 690-6343

Obama administration announces ground-breaking public-private partnership to prevent health care fraud

Washington - Health and Human Services (HHS) Secretary Kathleen Sebelius and Attorney General Eric Holder today announced the launch of a ground-breaking partnership among the federal government, State officials, several leading private health insurance organizations, and other health care anti-fraud groups to prevent health care fraud. This voluntary, collaborative arrangement uniting public and private organizations is the next step in the Obama administration's efforts to combat health care fraud and safeguard health care dollars to better protect taxpayers and consumers.

The new partnership is designed to share information and best practices in order to improve detection and prevent payment of fraudulent health care billings. Its goal is to reveal and halt scams that cut across a number of public and private payers. The partnership will enable those on the front lines of industry anti-fraud efforts to share their insights more easily with investigators, prosecutors, policymakers and other stakeholders.

It will help law enforcement officials to more effectively identify and prevent suspicious activities, better protect patients' confidential information and use the full range of tools and authorities provided by the Affordable Care Act and other essential statutes to combat and prosecute illegal actions.

" This partnership puts criminals on notice that we will find them and stop them before they steal health care dollars," Secretary Sebelius said. " Thanks to this initiative today and the anti-fraud tools that were made available by the health care law, we are working to stamp out these crimes and abuse in our health care system."

One innovative objective of the partnership is to share information on specific schemes, utilized billing codes and geographical fraud hotspots so that action can be taken to prevent losses to both government and private health plans before they occur. Another potential goal of the partnership is the ability to spot and stop payments billed to different insurers for care delivered to the same patient on the same day in two different cities. A potential long-

range goal of the partnership is to use sophisticated technology and analytics on industry-wide healthcare data to predict and detect health care fraud schemes.

“ This partnership is a critical step forward in strengthening our nation’ s fight against health care fraud,” said Attorney General Holder. “ This Administration has established a record of success in combating devastating fraud crimes, but there is more we can and must do to protect patients, consumers, essential health care programs, and precious taxpayer dollars. Bringing additional health care industry leaders and experts into this work will allow us to act more quickly and effectively in identifying and stopping fraud schemes, seeking justice for victims, and safeguarding our health care system.”

The Executive Board, the Data Analysis and Review Committee, and the Information Sharing Committee will hold their first meeting in September. Until then, several public-private working groups will continue to meet to finalize the operational structure of the partnership and develop its draft initial work plan.

The following organizations and government agencies are among the first to join this partnership:

- America’s Health Insurance Plans
- Amerigroup Corporation
- Blue Cross and Blue Shield Association
- Blue Cross and Blue Shield of Louisiana
- Centers for Medicare & Medicaid Services
- Coalition Against Insurance Fraud
- Federal Bureau of Investigations
- Health and Human Services Office of Inspector General
- Humana Inc.
- Independence Blue Cross
- National Association of Insurance Commissioners
- National Association of Medicaid Fraud Control Units
- National Health Care Anti-Fraud Association
- National Insurance Crime Bureau

- New York Office of Medicaid Inspector General
- Travelers
- Tufts Health Plan
- UnitedHealth Group
- U.S. Department of Health and Human Services
- U.S. Department of Justice
- WellPoint, Inc.

The partnership builds on existing tools provided by the Affordable Care Act, resulting in:

- Tougher sentences for people convicted of health care fraud. Criminals will receive 20 to 50 percent longer sentences for crimes that involve more than \$1 million in losses;
- Enhanced screenings of Medicare and Medicaid providers and suppliers to keep fraudsters out of the program.
- Suspended payments to providers and suppliers engaged in suspected fraudulent activity.

The administration's efforts to date have already resulted in a record-breaking \$10.7 billion in recoveries of health care fraud over the last three years. For more information on this partnership and the Obama administration's work to combat health care fraud, please visit:

<http://www.healthcare.gov/news/factsheets/2011/03/fraud03152011a.html>

www.stopmedicarefraud.gov

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