

# Health care insurance fraud



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**I**n looking through my *Postal Record* archives, I noticed that it has been a while since I have alerted our readers about the dangers of health care insurance fraud. What is insurance fraud? Insurance fraud is any act committed with the intent to fraudulently obtain payment from an insurer.

According to the National Health Care Anti-Fraud Association (NHCAA), health care fraud is a serious problem, costing tens of billions of dollars every year and directly undermines the quality of health care.<sup>1</sup>

Some common types of health care fraud reported by NHCAA include:

- Billing for services and products that were never rendered
- Billing for more expensive services or procedures than were actually provided or performed
- Performing medically unnecessary services solely for the purpose of generating insurance payments
- Misrepresenting non-covered treatments as medically necessary covered treatments for the purpose of obtaining insurance payments
- Billing each step of a procedure as if it were a separate procedure, commonly known as unbundling
- Accepting kickbacks for patient referrals
- Medical identity theft
- Falsifying a patient's diagnosis to justify tests, surgeries or other procedures that aren't medically necessary
- Prescription drug diversion and misuse<sup>1</sup>

## What should you do to protect your family from fraud?

1. Be wary of giving your Plan identification (ID) number over the telephone or to people you do not know, except to your doctor, other provider or authorized Plan or OPM representative.
2. Let only the appropriate medical professionals review your medical record or recommend services.
3. Avoid using health care providers who say that an item or service is not usually covered, but they know how to bill the Plan to get it paid.
4. Carefully review our explanation of benefits (EOB) upon receiving them in the mail.
5. If you suspect that a provider has charged you for services you did not receive, billed you twice for the same services, or misrepresented any information, do the following:

- Call the provider and ask for an explanation. There may be an error.
- If the provider does not resolve the matter, call the NALC HBP Special Investigation Unit (SIU) at 888-636-NALC (6252) and explain the situation.

**Let's talk a little more about No. 4, which is reviewing your explanation of benefits (EOB).**

Unless you look at the EOB when it arrives in the mail, there is no way to determine whether you are a potential medical identity theft victim. You should always be aware; know your benefits, examine your medical bills, and examine your medical pharmacy records regularly. As we talked about above, if you see unauthorized charges, contact the provider and the NALC HBP SIU immediately at 888-636-NALC (6252).

Another thing to remember is what you do with the EOB after reviewing it. It should be secured in a safe place in your home. If you decide to throw it away, we recommend that you shred it first. Under no circumstances should it be put out for recycling.

## Healthy Rewards discount program

**The Healthy Rewards program can provide you with discounts** when you decide it is time for a healthier lifestyle. Various companies and products are available with the Healthy Rewards program to help you enhance your health and wellness. As a member of the NALC Health Benefit Plan, you are eligible to receive discounts on services not covered by the Plan, such as:

- Fitness club memberships
- Jenny Craig weight-loss program
- Just Walk 10,000 Steps a Day program
- Health and wellness products including vitamins, supplements, herbal products and homeopathic remedies
- Laser vision correction, eye examinations, eyewear and contacts

**To learn more about the Healthy Rewards program or to find a participating provider, call 800-558-9443.** If you prefer to learn about this program without making a telephone call, you can visit our website at [nalc.org/depart/hbp](http://nalc.org/depart/hbp). On the left side of the page, click the "Find out about Healthy Rewards Member Discounts" link. Then, click on "Discounts and health and wellness products." Finally, click on the member discount area of interest (example: "weight and nutrition").

**Note:** Please keep in mind that the above is a discount program and *not* insurance. The member must pay the entire discounted charge.

1. Who We Are brochure, "A Private-Public Partnership Against Health Care Fraud," [www.nhcaa.org](http://www.nhcaa.org)