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College of Tropical Agriculture and Human Resources  
United States Department of Agriculture Cooperating

Transcript for 'Ohana Caregivers Parish Video "Healthcare Fraud in Hawaii"  
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♪ Music ♪

(Lori Yancura)

Those of us who live in Hawai'i often say that we live in paradise. Our state is blessed with a bounty of natural resources and an amazing mix of people and cultures. However even paradise has its share of problems.

My name is Lori Yancura and I'm an Assistant Professor in the Department of Family and Consumer Sciences and the College of Tropical Agriculture in Human Resources at the University of Hawaii at Manoa. My job is to study the problems that affect older adults in Hawai'i and to look for solutions to improve their health, well-being, and quality of life.

Elders in our state are very fortunate because most people living in Hawai'i have a strong sense of family. We believe in taking care of our kupuna. According to the National Family Caregivers Alliance there are over 100,000 family caregivers taking care of older family members in the State of Hawaii. Because of the strong sense of family I believe the best solutions to problems faced by the older adults in Hawaii are those that involve the entire family.

One problem that elders in Hawai'i are currently facing is healthcare fraud. In Hawaii, as well as nationally, approximately 10% of the money spent on the Medicare program is estimated to be lost due to healthcare fraud, waste, and abuse. This comes out to about \$80 million every year or \$861,000 every week, \$123,000 everyday, or \$85.00 each and every minute. This is a huge problem because that money could be used to provide better healthcare services for our kupuna.

We started the Ohana Caregivers Project to find solutions to issues facing family caregivers in Hawaii. One of the things we are interested in learning about is using the strengths of our families to help lessen or even eliminate the problem of healthcare fraud. In researching possible solutions we have decided to get advice from experts and the following series of programs will explore some solutions to this problem and talk about specific ways that family caregivers can help keep their loved ones safe.

In this part of our continuing series on helping family caregivers to prevent healthcare fraud for older adults in Hawaii we will be talking to Deputy Attorney General Mike Parrish, Director of the Medicaid Fraud Control Unit for the state of Hawaii. Mr. Parrish will be talking about the types of fraud cases his unit sees in home healthcare settings. He will also give some advice on how family caregivers can help to prevent healthcare fraud.

“What is the Medicaid Fraud Control Unit and what types of cases do you handle?”

The Medicaid Fraud Control Unit is a unit within the Department of the Attorney General and we are responsible for prosecuting criminal and civil cases perpetrated by Medicaid and Medicare providers. We are a unit that consists of three attorneys (myself and two others). We have six investigators who have full law enforcement powers. In other words they carry a gun and they are licensed to make arrests. We have two forensic auditors and two clerical staff.

Primarily our case load consists of patient neglect and abuse which of course is where a provider fails to give the amount of care that is due to a client or the patient. The other half is basically a 50/50 breakdown. The other half of our cases are fraud cases, instances of fraud committed by a provider against the program.

*[What is the jurisdiction of the Medicaid Fraud Control Unit?]*

We have all different kinds of jurisdictions. The simplest way to put it is in terms of location, we have statewide jurisdictions. We can investigate and prosecute cases on every island. We have civil and criminal jurisdiction. In other words we can prosecute and investigate criminal cases and also prosecute civil cases and the distinction between criminal and civil is basically in a criminal case there is a violation of a law and the law is a criminal law and the sanctions that can be imposed can include fines, include jail time, probation, and all of the things that we hear about on TV.

A civil case on the other hand generally generates some sort of restitution. In other words whatever money was wrongfully taken can be recouped and paid back to the state and in addition to that there can be penalties over and above the restitution that serve as sort of pecuniary measure to discourage that kind of conduct in the future.

*[How do you get your cases?]*

Most of our cases come from complaints made by either anonymous individuals or adult protective service members. They send a complaint to us either via fax machine, via e-mail, and sometimes we get phone calls. We will take the information that is provided to us. Take an initial look at it and see whether it has enough merit so that we can move forward with the case. In terms of the fraud cases there are oftentimes referred to us by the MedQuest Division which is the single state agency that is responsible for administering the state Medicaid Program. So we get a good number of fraud referrals from them.

*[What happens when a complaint is received?]*

When a complaint comes to us there is an initial review done usually by myself. I will review virtually all of the cases that are referred to our office either by facsimile, or by e-mail, or by phone call. Sometimes the other two attorneys review the cases as well and we take a look at the information that is given to us initially which is oftentimes very basic, very bare-bones, a simple allegation of neglect, or an abuse, or of provider fraud and we look at the face of the initial complaint to determine whether if it had merit.

First of all does it fall under our jurisdiction? Many of our cases referred to us do not fall within our jurisdiction because our jurisdiction is limited to provider fraud and patient abuse and neglect that occurs in a care setting as opposed to a familial setting. We do not have jurisdiction over purely family matters only where this is some sort of nexus with the state Medicaid program or a paid caregiver environment.

So the initial review takes place and we're able to determine whether first of all we have jurisdiction. If we don't have jurisdiction we will refer back to the agency that referred it to us or in the case of an individual making a referral except different from an agency referral. When an individual makes a referral and we believe that it may have merit but it does not fall into our jurisdiction we will forward it to an agency that would have jurisdiction if the case has merit like HPD or even to the Federal government, the Office of Inspector General. It just depends on the nature of the allegation.

Once we have evaluated and decided to take it in, then we will conduct a full-blown investigation. Our investigators or sometimes our auditors will do the groundwork to track down evidence and people who can provide testimony and all the things that a law enforcement agency would do. Once all that information has been compiled then the case is passed on to one of the attorneys either myself or Dawn Shigezawa who is with us and Gary Signaigo. They are the two other attorneys.

The attorney will evaluate the entire body of information that has been passed on and determine whether there is in fact there is a viable criminal case or whether there is a viable civil case and of course if there's not sufficient evidence to move criminally or civilly. These cases are simply closed out. Sometimes they are referred back to the MedQuest division which is the single state agency responsible for administering the Medicaid program so that they can do a corrective measure to inform the provider that they have been billing errantly and they can receive restitution from the provider as well. So we try to cover all grounds in terms of when there is an overbilling of the program whether it is inadvertent or purposeful we try to make sure that the program is made whole.

*[What is home healthcare and what kinds of fraud do you see in home healthcare settings?]*

Home health care is what an agency or entity sends a licensed provider into a home setting for primarily the care of a person who is unable to maybe perform better activities of daily living or if they need very basic medical help; shots, blood pressure check, very simple things and it can also include chore care, cleaning up, cooking, things of that nature.

The fraud and home healthcare setting reflects the type of fraud that we see in general. I guess to keep it very basic. The nature of the fraud is the most recognizable kind is simply a billing generated when a service was billed for has been not been provided. That is the most basic and the most prevalent sort of fraud and there's a little bit more sophisticated type of fraud where there's actually a service provided but the level charged for the service provided is a greater compensatory request than the service actually provided. In other words they said, "they did 'A,B,C,D' which can be billed at a higher amount than 'E,F,G,H' which is the service they actually provided." It is kind of like an up-coding situation almost. We did this and here's what you should pay us but they only did less than this but they still want to get paid for this.

*[What can family caregivers do to prevent fraud?]*

On the Medicare side the best way is to review the billing statements that are sent to the recipients that essentially cover each service that was rendered to the beneficiary on behalf of the Medicare program and they can simply look at the billing statement and you can tell immediately upon the statement on whether the person who made the claim was there on that day and provided the services that they billed for.

It's important for folks to do that because there's no proactive way for law enforcement to monitor a situation in terms of being able to go out for us to go out on our own and fair it out whether there is fraud. The best way that cases can be referred to us is of course directly from the beneficiary who can make a complaint and say, "hey look I looked at my bill and the bill indicates that I received the home healthcare service on January 28 of 2008 but no one came to my house on January, 2008." That is the simplest way.

If they take the time to look at the statement that will give them an indication of whether everything is above board and it's important for folks to that. Primarily because any money that is errantly or wrongly taken out of the system impacts every beneficiary in the system in terms of it's taken resources away where they could be used productively in other instances or with respect to other beneficiaries.

(Lori)

This presentation gave us a lot of information about specific types of healthcare fraud affecting older adults in Hawaii. You can contact the Attorney General's Office or visit our Ohana Caregivers Project website for more information. That's [www.hawaii.edu/ohanacaregivers](http://www.hawaii.edu/ohanacaregivers).

Thank you very much for watching. I hope that you can use your new knowledge to protect your loved ones from healthcare fraud.

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