

Fraud, Waste and Abuse **Training**

Understanding Your Role in Health Care Fraud

Estimates indicate that more than \$60 billion in health care **fraud** occurs each year, or about 3 percent of health care expenditures.

Rady Children's Health Network (RCHN) embraces and adheres to the highest organizational business and professional practice standards consistent with applicable state and federal law, regulatory, and contractual requirements in an effort to eliminate health care fraud, waste and abuse within our network across San Diego County.

Fraud is generally defined as knowingly and willfully executing, or attempting to execute, a scheme or artifice to defraud any health care benefit program or to obtain (by means of false or fraudulent pretenses representations, or promises) any of the money or property owned by, or under the custody or control of, any health care benefit program. (18 U.S.C. § 1347)

Waste is overutilization of services or other practices that, directly or indirectly, result in unnecessary costs to the health care system, including the Medicare and Medicaid programs. It is not generally considered to be caused by criminally negligent actions, but by the misuse of resources.

Abuse Payment for items or services when there is no legal entitlement to that payment and the individual or entity has not knowingly and/or intentionally misrepresented facts to obtain payment.

Examples of health care fraud and abuse include:

- Upcoding
- Services not rendered
- Excessive units and visits
- Billing under another provider's ID # or TIN/NPI
- Billing HCPCS units with CPT codes
- Unbundling
- Non-licensed professionals providing services
- Double billing
- Level of care misrepresentation
- Billing for excessive numbers of patients in one day
- Misuse of modifiers
- Lack of medical necessity documented
- Over- or underutilization
- Billing for cancellations or no-shows
- Falsifying clinical notes
- Forgery

If you are aware of suspected fraud or abuse involving an RCHN member or provider, please report it. If you are unsure about whether something is fraud or abuse, please refer it to Rady Children's Health Network for investigation. RCHN then determines if there is a likelihood of fraud or abuse, and refers such cases to the California Department of Health Care Services.

<http://www.dhcs.ca.gov/individuals/Pages/StopMedi-CalFraud.aspx>

CA.GOV CALIFORNIA DEPARTMENT OF Health Care Services

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Do You Suspect Medi-Cal Fraud? Report it.

Online Form

fraud@dhcs.ca.gov

1-800-822-6222

Mail Your Complaint

The Department of Health Care Services (DHCS) asks that anyone suspecting Medi-Cal fraud, waste, or abuse to call the DHCS Medi-Cal Fraud Hotline at 1-800-822-6222. If you feel this is an Emergency please call 911 for immediate assistance. The call is free and the caller may remain anonymous. Our recorded message may be heard in 10 other languages: Spanish, Vietnamese, Cantonese, Armenian, Hmong, Cambodian, Laotian, Farsi, Korean, and Russian.

To learn more about the DHCS Medi-Cal Fraud efforts, please select from the topics below:

What is Fraud? Helpful Hints & Resources

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Stop Medi-Cal Fraud On-Line Complaint Form

By submitting the on-line Medi-Cal complaint form you agree to the following statement. I want to report suspected Medi-Cal fraud. I understand that the Department of Health Care Services does not represent private citizens seeking private remedies. I am submitting this allegation for review to determine if law enforcement or statewide legal action is warranted.

All complaints submitted to the Department are confidential. If you chose to remain anonymous, the Department will not contact you under any circumstance.

Note: If you chose to remain anonymous, please provide as much detailed information as possible. Failure to provide detailed information can affect the Department's ability to address your complaint effectively.

Do you want to remain anonymous? Yes No

Reporting Party (your information)

First Name : Last Name :

Home Phone : Cell Phone : Work Phone :

E-Mail :

Who is this complaint against? Recipient Provider

Recipient (complaint against information)

First Name : Last Name : * Required

Address :

City : State :

Additional Information

Have you contacted your local law enforcement? Yes No

Please provide a factual statement that clearly describes the date, place, and nature of the incident or issue that you are reporting. *Required
(5,000 character max) - Characters remaining: 5000

Submit Complaint

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What is fraud?

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The different types of Medi-Cal fraud costs CA taxpayers a lot of money.

Here is how you can help: make sure you know the types of fraud and call **1-800-822-6222** if you suspect something.

Beneficiary / Recipient

Most Medi-Cal beneficiaries are honest people who need quality health care. However, there are people who commit fraud or become involved in fraudulent schemes. The following are some types of possible beneficiary Medi-Cal fraud:

Recipient Exceeds Income or Asset Requirement: Occasions where a beneficiary does not report income or assets to their county worker.

Identity Theft: Someone using another person's personal information to get Medi-Cal benefits. Sometimes the person whose identity was stolen is not aware until they begin to receive mail from the Medi-Cal program.

Provider

Most Medi-Cal providers are honest in their billing practices and provide quality health care to their patients. However, a relatively small number of providers commit fraud directly or become involved in fraudulent schemes. The following are some types of known Medi-Cal provider fraud:

Capping: When an individual recruits and pays patients money or offers gifts in exchange to participate in the Medi-Cal program. It is also illegal for an individual to receive payment or gifts to participate in the Medi-Cal program.

Balance Billing: A provider charging a Medi-Cal beneficiary for the difference between the Medi-Cal reimbursement rate and the customary charge for the service.

Provider Illegally Billing Medi-Cal:

- Providers ordering unnecessary lab tests
- Dentists performing unnecessary teeth extractions on both adults and children
- Medical supply companies billing for equipment and products that were neither ordered nor delivered

Helpful Hints & Resources



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Helpful Hints

Health care fraud can be very confusing and many times there are issues that may not be fraud. Here are some helpful hints and suggestions that can help you if you have questions or concerns.

Beneficiary/Recipient

Lost or stolen Medi-Cal Beneficiary Identification Cards (BIC): If you have just lost your BIC card, contact **your local county worker** for a replacement. Fraud occurs if there is knowledge that a stolen or lost card has been or is currently being used by someone other than whom it was issued.

Provider

Although there can be fraudulent provider billing issues, the following are not necessarily fraudulent activities:

- **Short provider visits**
- **Disagreeing with a diagnosis**

Helpful Resources

There are many other agencies that might be able to better assist you for non-fraud related issues.

The California Medical Board: 1-800-430-4263

- Regulates and licenses physicians and surgeons

Medi-Cal Managed Care Ombudsman: 1-888-452-8609

- If you are on Medi-Cal and you have a complaint you cannot resolve with your health plan

Medi-Cal Billing: 1-800-541-5555

- If you have questions or problems regarding a Medi-Cal bill

Consumer Affairs: 1-800-952-5210

- To report or file a complaint regarding Physician Assistants

Board of Pharmacy (Department of Consumer Affairs): 916-574-7900

- To report pharmacist misconduct or an error in the filling of a prescription

California Board of Registered Nursing Board

- To complain about any registered nurse who has acted in an unsafe or unprofessional manner or that an unlicensed person is illegally providing nursing care



Report Fraud



Please note: Audits and Investigations staff is not authorized to provide any legal advice.

Reporting Medi-Cal fraud

If you prefer to mail your complaint to our office, please use the address listed below.

Medi-Cal Fraud Complaint – Intake Unit
Audits and Investigations
PO Box 997413, MS 2500
Sacramento, CA 95899-7413



CALIFORNIA DEPARTMENT OF

Health Care Services



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How We Handle Complaints



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The Staff at DHCS Stop Medi-Cal Fraud Intake Unit handle all inquiries regarding Medi-Cal Fraud. We receive hundreds of fraud complaints daily by e-mail, the Stop Medi-Cal Fraud and IHSS Fraud Hotlines, hard mail and directly from various other agencies.

- The Intake Unit responds to all inquiries, calls and e-mails
- Staff processes the information and inputs it into a tracking data base
- As needed, staff will contact the reporting party to verify, seek or clarify information
- Staff analyzes the complaint and determines if it should be referred to one of the regional [Audits and Investigations](#) offices for investigation and resolution.
- Investigators interview witnesses, evaluate claims data, conduct data searches and perform other investigation activities.
- If sufficient evidence exists, A&I will refer the case to the Department of Justice or to a local District Attorney's Office

NOTE: Due to HIPPA and Law Enforcement guidelines, Intake Unit Staff are unable to provide the status or resolution of a complaint.



[Report Medi-Cal Fraud](#)

