

MEDICAID FRAUD AND ABUSE



Attorney General Jeff Landry
Louisiana Department of Justice

**Report Suspected Medicaid
Welfare Fraud or Abuse to the**

**Louisiana Medicaid Fraud
Control Unit**

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A Message from the Attorney General

As your Attorney General, I am committed to ensuring the Louisiana Department of Justice serves all of our State's people -especially the elderly and the poor.

Medicaid welfare fraud and nursing home abuse are unlawful and immoral acts that our office will vigorously investigate and prosecute. Medicaid welfare fraud not only steals from taxpayers, it also jeopardizes much-needed services for our State's most vulnerable. Our office saves the State millions every year by preventing, stopping, and prosecuting those who abuse the system.

We have compiled this booklet to help educate the citizens of Louisiana on who is a Medicaid provider; what are fraud and abuse as they relate to the Medicaid program; what are the legal responsibilities of reporting suspected Medicaid fraud and abuse; and what are the consequences of committing Medicaid fraud or abuse.

I hope this brochure is helpful to you. If you have any questions or would like more information, please visit www.AGJeffLandry.com or call our Medicaid Fraud Control Unit at 888-799-6885.

I am here to serve you and to do all that I can to make Louisiana an even better place to live, work, and raise a family.



Jeff Landry

ATTORNEY GENERAL JEFF LANDRY



Louisiana Medicaid Fraud Control Unit



Since 1978, Louisiana's Medicaid Fraud Control Unit (MFCU) has been recognized as a national leader in the investigation and prosecution of Medicaid fraud and nursing home abuse. During that time, the Louisiana MFCU has prosecuted hundreds of individuals for program violations and recovered millions of tax dollars for the State.

The Louisiana MFCU has been recognized three times as the top-rated Medicaid Fraud Control Unit in the nation by the United States Department of Health and Human Services, Office of the Inspector General. The Louisiana MFCU is the only unit in the nation to win the top honors three times.

The mission of the Louisiana MFCU is to aggressively combat the fleecing of taxpayers by fraudulent healthcare providers. Furthermore, our MFCU seeks to protect our most vulnerable citizens - the elderly and mentally disabled - and to vigorously prosecute criminals who prey on them.

Who is a Medicaid Provider?

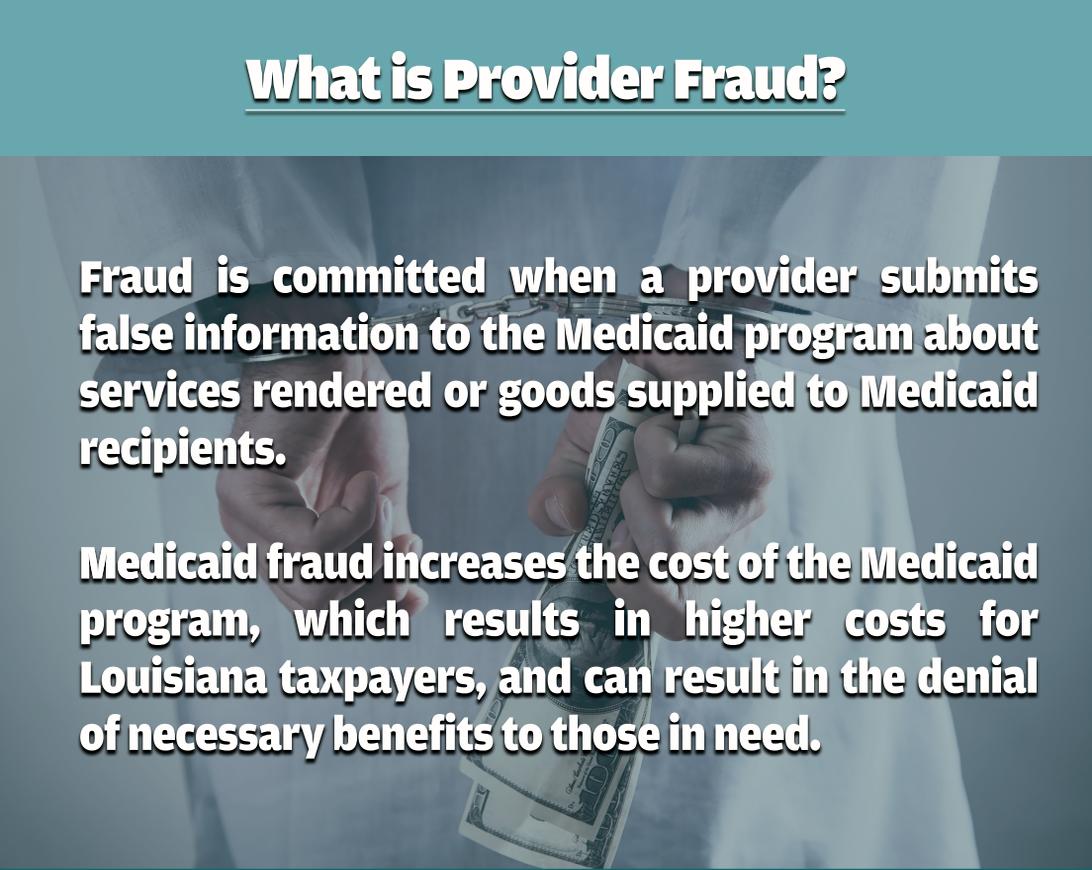
A Medicaid provider is any individual or entity participating in the Medicaid program that supplies healthcare goods and services to Medicaid recipients.

This includes, but is not limited to:

- Doctors**
- Dentists**
- Hospitals**
- Nursing homes**
- Pharmacies and pharmaceutical companies**
- Durable medical equipment companies**
- Transportation companies**
- Home health care providers**
- Behavioral health providers**
- Personal Care Services/Waiver/Long Term-Personal Care Services agencies**
- Managed Care Organizations**



What is Provider Fraud?



Fraud is committed when a provider submits false information to the Medicaid program about services rendered or goods supplied to Medicaid recipients.

Medicaid fraud increases the cost of the Medicaid program, which results in higher costs for Louisiana taxpayers, and can result in the denial of necessary benefits to those in need.

Examples of Provider Fraud

- **Billing for medical equipment or services that were not actually provided or performed.**
- **Billing for more expensive services or equipment than were actually provided.**
- **Dispensing generic drugs but billing for brand name drugs.**
- **Giving or accepting “kickbacks” or something of value in return for patient referrals resulting in Medicaid billings.**
- **Billing for services that are not necessary, serve no medical purpose, are not medically authorized, or are performed by unqualified staff.**

What is Abuse?

Abuse can be physical, financial, sexual, or mental.

- Physical Abuse: Any type of physical injury is considered physical abuse. Physical abuse includes hitting, slapping, choking and pinching, or using any object or giving any substance which causes unnecessary pain or suffering.

- Financial Exploitation: Stealing money or property, regardless of its value, is financial abuse. Misusing a power of attorney for one's own advantage, using someone's property without permission, or obtaining permission fraudulently is also financial abuse.

- Sexual Abuse: Sexual abuse occurs when someone commits a sexual act against another without consent or forces someone to commit a sexual act. However, normal sanitary care or medical treatment is not sexual abuse.

- Mental Abuse: Inflicting mental or emotional distress through one's words or actions is mental abuse. Mental abuse can be caused by making threats, ridiculing, or cursing others.

**In Louisiana, all forms of abuse
are criminal offenses.**

Failure to report abuse is also a crime.

Reporting Suspected Fraud and Abuse

If you have reason to believe that someone is defrauding the Medicaid program or abusing a Medicaid recipient, please contact our Medicaid Fraud Control Unit as soon as possible.

Louisiana law requires that all healthcare professionals, including nurses and aides, report suspected abuse and neglect within 24 hours. Allegations of abuse may be reported directly to the Louisiana Medicaid Fraud Control Unit, the Louisiana Department of Health, or your local law enforcement agency.

The law also protects persons reporting abuse from retaliation or harassment. If you witness abuse - you cannot be fired, discriminated against, or sued for making a report in good faith.

When reporting Medicaid welfare fraud or abuse, remember to document all incidents to the best of your ability so that you can accurately remember what happened and better help the investigators uncover the truth.

Tips for Reporting Suspected Medicaid Fraud or Abuse

Write it down.

Memories fade. Notes should be written to ensure that the details of incidents are not forgotten months later.

Be specific.

Answer: Who? What? When? Where? and Why? Document all details about the incident.

Be clear, precise, and complete.

Details, details, details. Provide as many specific facts as possible. Where was the person struck and how? What services were billed for and not rendered? For whom and on what dates?

Get supporting evidence.

If visible signs of abuse are present, take photographs. If fraudulent claims are suspected of being submitted, document the details supporting your suspicions.

Consequences of Committing Medicaid Fraud or Abuse

- Immediate termination**
- Loss of medical certification or licensure**
- Arrest and prosecution**
- Severe criminal penalties and fines**
- Exclusion from working for any federally-funded healthcare provider for a minimum of five years.**

EXCLUSIONS

An excluded individual cannot work, in *any* capacity, for any federally-funded healthcare provider. This includes - but is not limited to - doctors, nursing homes, hospitals, and Personal Care Services/home care agencies.

If an excluded individual is employed by a federally-funded provider, both the employee and the employer could face State and Federal penalties of up to \$20,000.

To see if a prospective employee is excluded under Federal law, visit the website of the U.S. Department of Health and Human Services, Office of the Inspector General:

www.oig.hhs.gov/exclusions

To see if a prospective employee is excluded under State law, visit the Louisiana Department of Health's Adverse Actions website:

www.adverseactions.lah.gov/SelSearch

Louisiana Statutes Related to Medicaid Fraud & Abuse

Medicaid Fraud- La. R.S. 14:70.1

Cruelty to Persons with Infirmities- La. R.S. 14:93.3

Exploitation of Persons with Infirmities- La. R.S. 14:93.4

**False Statements concerning employment in a nursing or health care facility-
La. R.S. 14:126.3**

Filing or maintaining false public records- La. R.S. 14:133

Forgery- La. R.S. 14:72

Identity Theft- La. R.S. 14:67.16

Abuse of Person with Infirmities Through Electronic Means- La. R.S. 14:283.3

Simple Battery of Persons with Infirmities- La. R.S. 14:35.2

Sexual Battery of Persons with Infirmities- La. R.S. 14:93.5

Theft of the assets of an aged person or disabled person- La. R.S. 14:67.21

Fraudulent remuneration- La. R.S. 14:70.5

Government benefits fraud- La. R.S. 14:70.9

Duty to Make Complaints- La. R.S. 40:2009.20

Non-Retaliation by Healthcare providers- La. R.S. 40:2009.17

**To view the complete statutes, please visit the
Louisiana State Legislature's website:
www.legis.la.gov**

Notes

