



FRAUD, WASTE & ABUSE SUMMIT



28 FEBRUARY - 1 MARCH 2019

SANDTON CONVENTION CENTRE

Sizwe Medical Fund- Perspective

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“Partnership towards curbing fraud, waste and abuse”

#fwasummit

Why Fraud?

- The large amounts of **money** involved and the **complexities of healthcare systems** make Sizwe particularly vulnerable to incidents of fraud.
- A sound **fraud management framework and policy** can contribute to the reduction of the impact of fraud on healthcare costs.
- **Section 59 (3) (b) of the MSA** direct medical schemes to recover any loss which has been sustained by the medical scheme through theft and fraud (incl waste and abuse) which comes to the notice of the medical scheme.
- The BoT through the ARC provide oversight on the controls or mitigating actions that are in place **to prevent fraud, detect fraud and recover loss.**

Fraud Policy Stance

- The policy of Sizwe is **zero tolerance** to fraud.
- All incidents are investigated and followed up.
- **Prevention and detection controls** include the existing membership administration, claims processing and other controls and checking mechanisms as prescribed in the administration system.
- Sizwe conducts **fraud risk assessments** on a regular basis. Further, employees of both Sizwe and its Administrator are informed about fraud and corruption risks facing Sizwe, thus enhancing the prospect of detecting irregularities earlier.
- Utilisation of **information technology** for ongoing claiming and usage pattern monitoring and analysis

Remedies & Sanctions

- Remedies and sanctions can be ***criminal, civil, or administrative***. The appropriate sanction or remedy for a particular case depends upon its specific facts.
- Prevention and Combating of Corrupt Activities Act No 12 of 2004 provides that persons holding positions of authority who know that a crime of corruption or one of the crimes of theft, fraud, extortion or forgery involving R100 000 or more was committed must ***report such to SAPS***.
- Sizwe adopts the following ***recovery methods***:
 - Recovery through salary and benefits deductions;
 - Agreements for repayments;
 - Insurance;
 - Acknowledgement of Debt (AoD) and
 - Any other form of civil recovery

Going Forward

- Internal Processes
- Data Analytics
- Casting a wider Investigative net
- Innovative Technologies