Recap of FWA Charter and Definitions

Dr. Tebogo Phaleng

Chief Strategy Officer, Discovery Health

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FRAUD, WASTE & ABUSE WEBINAR

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CMS Council for Medical Schemes

IN ASSOCIATION WITH HPCSA

Health Professions Council of South Africa

National Commitment to Reduce FWA

Achievement of the goals and objectives of **Universal Health Coverage (UHC)** requires a healthcare system that provides **quality** healthcare that is **accessible** and **affordable**

FWA threatens the **sustainability**

of both the public and private healthcare sectors

National commitment to reduce FWA to improve efficiencies while ensuring **transparency** and **accountability** across the health system

Objectives of the Charter

To promote and/or facilitate

Common under-standing and purpose between parties

Collaboration between stakeholders to combat FWA

Strengthening of **measures** to prevent and tackle FWA

Technical assistance in the detection of FWA

Enhance the integrity, **accountability** and **financial management** of medical schemes

To improve quality and affordability of healthcare

Defining FWA

Healthcare Fraud

Knowingly submitting, or causing to be submitted, false claims or an **intentional** misrepresentation of the facts in order to **access payment** of a benefit to which one would otherwise not have been entitled.

Waste and Abuse

Claiming for healthcare treatment and services that are **not absolutely medically necessary**, including any form of over-servicing or over-charging of a patient, and that may objectively be considered unethical or unconscionable or contrary to best practice principles

Governance Framework

Fiduciary duty on funders to protect members' funds – imperative for sustainability

Medical Schemes Act and Scheme Rules

- Powers of inspection
- Provision to withhold or recover funds from providers

Prevention and Combatting of Corrupt Activities Act

Industry Collaboration Between Stakeholders

Regulators

Funders

Healthcare Providers

Patients

Stakeholder Roles

Regulators

- **Zero tolerance** of FWA
- Encourage **honest** and **ethical** behavior
- Ensure **policy certainty** regarding FWA
- Develop industry **standards, guidelines**
- Ensure adequate **risk management framework** at industry level
- Ensure fair and reasonable **sanctions and remedies**
- Provide **guidance** within the scope of legislation and their legislated mandates

Schemes, MCOs and Administrators

- **Zero tolerance** of FWA
- Act in the **best interests** of members
- Employ adequate **risk management controls and instruments**
- Act **fairly and objectively** within the law
- Formulate **objective procedures** for sanctions
- Participate in **industry initiatives** including **information exchange** where appropriate

Stakeholder Roles

Health Professional Societies and Associations

- **Zero tolerance** of FWA
- **Educate** their members on issues of FWA
- Provide **clinical advice** and **best practice benchmarks**
- Support the formulation of **policies and guidelines**
- Facilitate **collaboration** with other industry stakeholders
- Assist in the transition to **value-based care/reimbursement**

Industry Representative Bodies

- **Zero tolerance** of FWA
- Create platforms for industry **collaboration** and **information sharing**
- Ensure that their members are **informed and adequately engaged** in FWA initiatives
- **Regulatory engagement**, sharing feedback received from their members

Enforceability of the Charter

Participation is **Voluntary**

Provisions **Binding** on all Signatories

CMS will...

- Be the **custodian** of the Charter
- **Consult** other signatories of the Charter before removing parties not acting in the spirit of the Charter
- Facilitate a **platform** to review and update the Charter every two years

Agreed Next Steps

March 2019

1	• Charter signed
2	• Expanded Steering Committee process
3	• Further consultation
4	• Draft Code of Good Practice
5	• Implementation • Monitoring and Evaluation

Concluding Remarks

- **FWA is a serious problem**, which all key stakeholders have a duty to address
- Encourage **honest** and **ethical** behavior and **protect member funds**, which are held in trust
- **Zero tolerance** approach to FWA – **sustainability** of the public and private healthcare environment depends on it
- Unique opportunity for **collaborative multi-stakeholder industry-level efforts** to prevent FWA

- Need for **certainty**:
  - Application of relevant laws/regulations
  - Rules of engagement: Standards and guidelines, including remedies for
  - Ways of working: Code of Good Conduct, risk management tools/techniques, FWA remedies for dispu

- **Implementation:**
  - Common understanding driven through collaborative platform(s), information exchange and training support
  - Common set of standards and guiding framework
  - Standardized coding system
  - Code of Good Practice
  - Institutionalized focus, transparency and responsiveness when dealing with complaints and/or requests for guidance
  - Monitoring and evaluation framework

Thank You