

Purpose, Context and Themes

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FRAUD, WASTE & ABUSE
WEBINAR

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IN ASSOCIATION WITH
HPCSA
Health Professions Council of South Africa

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Is Healthcare FWA still a challenge in 2012?

- Healthcare FWA in the USA approaching \$300bn per annum
- 2020 alone 300 individuals charged with FWA to the extent of \$6bn
- In RSA up to 15% of all claims were estimated to be associated with FWA
- Using the 2019 figures of approx. R194bn claims paid, this translates to approx. R29bn per annum
- Funds that could have been utilized to address priority health needs
- Sufficient to provide Covid-19 vaccines to achieve herd immunity (R10bn allocated for the provision of Covid-19 vaccine)



Top 10 Healthcare Provider FWA (USA)

1. Billing for services not rendered.
2. Billing for a non-covered service as a covered service.
3. Misrepresenting dates of service.
4. Misrepresenting locations of service.
5. Misrepresenting provider of service.
6. Waiving of deductibles and/or co-payments.
7. Incorrect reporting of diagnoses or procedures (includes unbundling).
8. Overutilization of services.
9. Corruption (kickbacks and bribery).
10. False or unnecessary issuance of prescription drugs.



Covid-19: Criminality, Corruption, FWA

- In Dec 2020 SIU reported that it was dealing with 20 major cases of FWA in Health Care
- PPE procurement
- Facility preparation(fumigation) scams
- Field hospitals and Specialised Equipment
- Ivermectin smuggling
- Counterfeit Covid -19 Vaccines
- Tele-Health Fraud
- Exorbitant prices and mark-ups (Covid tests, PPE's, ICU beds, Sanitisers, Garlic, Ginger etc)



CMS and Industry Journey on FWA

- FWA Steering Committee established 2018
- FWA Summit 1: March 2019: FWA Definitions, FWA Charter
- FWA Advisory Committee
- FWA Consultative Forum
- FWA Summit 2: April 2020: FWA CoGP and Standards, Dispute Resolution FWA Tribunal
- COVID-19
- FWA Webinars: 11th and 18th March 2021



Section 59 Investigation and FWA

- Allegations racial profiling, blacklisting, bullying and coercion, indirect payment, AOD;s, Clawbacks : May 2019
- Section 59 Steering Committee: May 2019
- Section 59 Investigation Panel: June 2019
- Hearings (July 2019 to January 2020)
- Covid 19 and Delays
- Interim Report January 2021
- Extended comment and input period: 5th April 2021



Key Themes:

- **FWA CoGP and Standards (Session 1)**
 - Schemes, Administrators, Brokers and MCO
 - Service Providers
 - Scheme Members
 - Regulators
- **FWA Tribunal (Session 2)**
 - Objective and Purpose
 - Enabling Legislation
 - Structure, Processes and Rules
 - Financing



Key Areas for Attention in future

- National Coding Authority (diagnostic, procedure, goods, services)
- Supplier non-competitive conduct (Hospitals, Pharmaceuticals, Specialists)
- Designated Service Provider Network contracting and member benefits
- Health Care Anti Corruption Forum (HCAF) and capacitation of Law enforcement Agencies in combating FWA
- Development of a common industry-wide database on FWA and its use for regulation



Thank you.

