



FRAUD, WASTE & ABUSE WEBINAR



Eliminating fraud, waste and abuse in the Industry



INDUSTRY CODES OF GOOD PRACTICE

Mr Micheal Willie,
Executive: Policy, Research & Monitoring

16 November 2022
MS Teams

Contents

Background & Milestones

Engagements and consults with Providers
and Member representatives

Responsibilities / Rights and Obligations

Limitations

Concluding remarks



Objectives

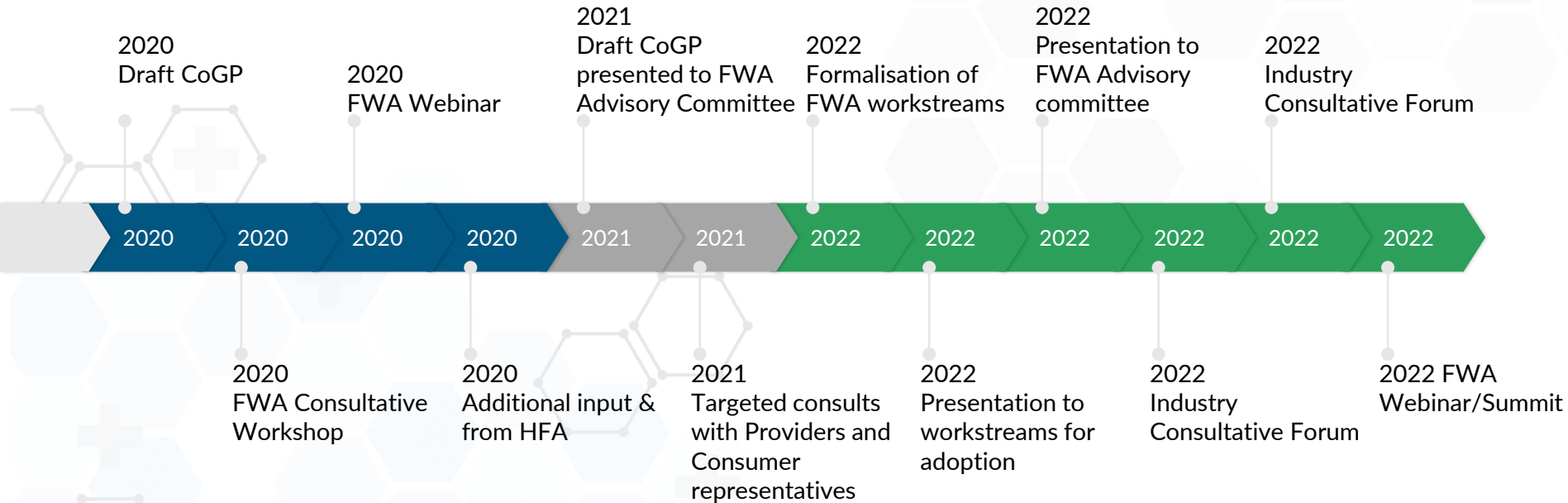


- ▶ *To establish guidelines for minimum standards of good practice for prevention, detection, investigation, restitution, and penalisation methods to mitigate and manage Fraud Waste Abuse.*

Key Principles

- ▶ Fairness, equality, and transparency across all stakeholders.
- ▶ Ethical management and protection of medical scheme funds.
- ▶ Clear and transparent investigation and recovery processes.
- ▶ Fair and lawful investigation and recovery processes with no coercion or intimidation.
- ▶ A collaborative and inclusive approach to the development of policies and procedures.
- ▶ Protecting a relationship of trust and cooperation between schemes, health professionals, regulators, scheme members and industry stakeholders.

Background and Milestones



Flow diagram developed by Hanmer, 2007

Providers and provider organisations

OHSC

Department of Health
Provincial facilities
Notifiable disease reporting
Hospital monthly statistics

Funders and funder organisations

Health Funders Association

Board of Healthcare Funders

Council for Medical Schemes

Compensation Fund
Rand Mutual Assurance
Federated Employers Mutual Assurance
Road Accident Fund



Beneficiaries /Patients

Employers

Private hospital groups

Hospital Association of South Africa

Independent practitioner associations, doctor networks

Group practices

Health Professions Council of South Africa

Professional organisations

Public hospitals

Private hospitals

Primary health care level service providers

Specialist service providers

Support services: pharmacy pathology radiology physiotherapy, etc.

Data transmission companies

Medical schemes
Medical scheme administrators

Flow of data to support patient care in the private health sector

Contributors

1. Board of Healthcare Funders (BHF)
2. Health Funders Association (HFA)
3. Health Professionals Council of SA (HPCSA)
4. South African Medical Association (SAMA)
5. MediCheck
6. National Healthcare Professionals Association (NHCPA)
7. Non-affiliated schemes
8. Independent Community Pharmacy Association (ICPA)
9. Independent Practitioner Associations Foundation (IPAF)
10. South African Pharmacy Council (SAPC)
11. South African Dental Association (SADA)
12. South African Society of Anaesthesiologists (SASA)
13. Solutionist thinkers Group
14. South African Nursing Council

Emerging issues from consults

Clarification of
concepts

Definitions

Objectives

Principles

Relevant
legislations &
Laws

Roles/
Responsibilities
/Rights

- Members & Beneficiaries
- Regulated Entities
- Individual/corporate healthcare providers
- Healthcare facilities
- Regulators/ Associations

Clarification of concepts

Concepts

- ▷ *"patient"* instead of *"beneficiary"*
- ▷ *"provider"* would be more appropriate than *"practitioner"*
- ▷ *"sanctions"* to *"remedial actions"*
- ▷ Over-charging: (Absence of RPL): "only charge a fee commensurate with the skill required and service to be delivered".
- ▷ Definitions as per the MS Act and any applicable laws
- ▷ Definition of Fraud, Waste & Abuse with examples provided
- ▷ Recover of funds disbursed illegitimately
- ▷ Should cover all scheme expenditures, including non-healthcare expenditure

New or updated sections

- ▶ Promote a culture of Prevention & Detection
 - *Section 2: Prevention, Detection and Investigation now included*
- ▶ Random Audits: Remove Racial selection concerns.
- ▶ Consider Facility Group: Section on Facilities now included
- ▶ Dealing with confidential information: An explanation of how the patients' clinical information will be dealt with due care.
 - *Section 6 : Data sharing and reporting & Consideration of POPIA in Section 6.1*

Proposed updates

- ▶ Preamble: Review and not single out contributors.
 - *Legislation and relevant Acts for inclusion:*
 - *Protected Disclosures Act 26 of 2000 (as amended in 2017);*
 - *Prevention of Organized Crime Act 121 of 1998;*
 - *Law of Evidence Amended Act 45 of 1988;*
 - *Civil Procedures Evidence Act 25 of 1965;*
 - *Pharmacy Act 53 of 1974*
 - *The latest King Reports on Corporate Governance.*
 - *Stakeholders & contributors: ICPA, Nursing Council*

Responsibility of Regulators

- ▶ To issue more regular guidance on the issues which arise out of the FWA detection, investigation and sanction processes by the medical schemes and administrators
- ▶ Example on data sharing & reporting (Section 6.2):
 - *A healthcare practitioner may refuse to provide confidential information to a medical scheme, and the medical scheme may not, on this basis, deduct any amount from any benefit payable to a member or such supplier of health service in terms of section 59(3) of the MS Act.*
 - *Similarly, a scheme cannot place a provider on indirect payment because a provider refuses to provide patient confidential information.*

Responsibility of Members & Beneficiaries

- ▶ Not to collude with suppliers of health services in abuse of benefits.
- ▶ To report any FWA instances that come to their direct or indirect attention to the, medical scheme and where applicable to the relevant regulatory authority.
- ▶ To read and review their benefit claim statements to ensure accurate dates of services, names of providers and types of services reported.

Responsibility of Medical Schemes

- ▶ To act with integrity and honesty in dealing with providers of health care services, suppliers of healthcare products and beneficiaries.
- ▶ To act in accordance with the Medical Schemes Act (MS Act) and other relevant laws.
- ▶ To always treat providers of health care services and suppliers of health care products and beneficiaries fairly and in a manner that does not constitute unfair discrimination.

Responsibility of third-parties

- ▶ To act with integrity and honesty in dealing with beneficiaries and medical schemes.
- ▶ To act in accordance with the provisions of the MSA, legally enforceable contractual obligations and other relevant laws.
- ▶ To always treat beneficiaries fairly and in a manner that does not constitute unfair discrimination.

Responsibility of individual & corporate healthcare providers

- ▶ To claim honestly and ethically and not exploit any beneficiary or their medical scheme benefits.
- ▶ To only render healthcare services that are medically necessary and clinically appropriate.
- ▶ To only charge a fee commensurate with the skill required and service to be delivered.

Responsibility of healthcare facilities

- ▶ To claim honestly and ethically and not to exploit any beneficiary or their medical scheme benefits.
- ▶ To only render healthcare services that are medically necessary and clinically appropriate.
- ▶ To professionally manage staff responsible for billing to ensure correct submission of claims

Limitations

- ▷ Release of the final Section 59 Investigation Report
- ▷ Recommendations could enhance the CoGP.
- ▷ Enforcement of CoGP and Guidelines

Conclusion & Recommendations

- ▶ CoGP will be reviewed periodically
 - *Section 59 recommendations can be considered once the final report is released*
- ▶ Next steps
- ▶ Presentation at the FWA summit/Webinar in 2022
- ▶ Publication for operationalisation 2022/23
- ▶ Development of an SOP and Rules
- ▶ Piloting Monitoring & Evaluation Tool

Acknowledgements

- ▶ All contributors outlined in Section 7: Page 30
- ▶ FWA Legal Workstream



Thank you

www.fwasummit.co.za