

INVESTIGATOR TIPS

Recognizing and Avoiding Health Insurance Fraud

According to the Federal Bureau of Investigation (FBI), health care fraud costs the country an estimated \$80 billion a year.

While not all health insurance fraud is a case of identity theft, there is a risk that identity theft may be involved. Here we share information, provided by the FBI, regarding types of health insurance fraud and tips for avoiding it.

Common types of health insurance fraud

- **Medical Equipment Fraud:** Equipment manufacturers offer “free” products to individuals. Insurers are then charged for products that were not needed and/or may not have been delivered.
- **“Rolling Lab” Schemes:** Unnecessary and sometimes fake tests are given to individuals at health clubs, retirement homes, or shopping malls and billed to insurance companies or Medicare.
- **Services Not Performed:** Customers or providers bill insurers for services never rendered by changing bills or submitting fake ones.
- **Medicare Fraud:** Medicare fraud can take the form of any of the health insurance frauds listed previously. Senior citizens are frequent targets of Medicare schemes, especially by medical equipment manufacturers who offer seniors free medical products in exchange for their Medicare numbers.

Tips for avoiding health insurance fraud

- Never sign blank insurance claim forms.
- Never give a blank authorization to a medical provider to bill for services rendered.
- Ask your medical providers what they will charge and what you will be expected to pay out-of-pocket.
- Do not do business with door-to-door or telephone salespeople who tell you that services or medical equipment are free.
- Give your insurance or Medicare identification only to those who have provided you with medical services.
- Keep accurate records of all healthcare appointments.
- Know if your doctor ordered equipment for you.

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