

OUTSMARTING HEALTHCARE FRAUD, WASTE & ABUSE

Healthcare spending in the United States will reach nearly **\$4 trillion** by the end of 2014. **Each year, patients and taxpayers lose billions to fraud, waste, and abuse (FWA).**

- Estimates of FWA in the government healthcare sector alone range from **\$60-80 billion**
- GAO estimates FWA consumes **10%** of Medicare's total budget



Healthcare FWA can take many forms. Some of the most common schemes involve:



"Phantom billing" for testing that is unnecessary or done without a physician's request



Billing for services following **identity theft** or **stolen electronic health records**



"Upcoding," or billing for more expensive supplies or procedures than actually ordered or performed



Fake billing companies that disappear after collecting reimbursement payments

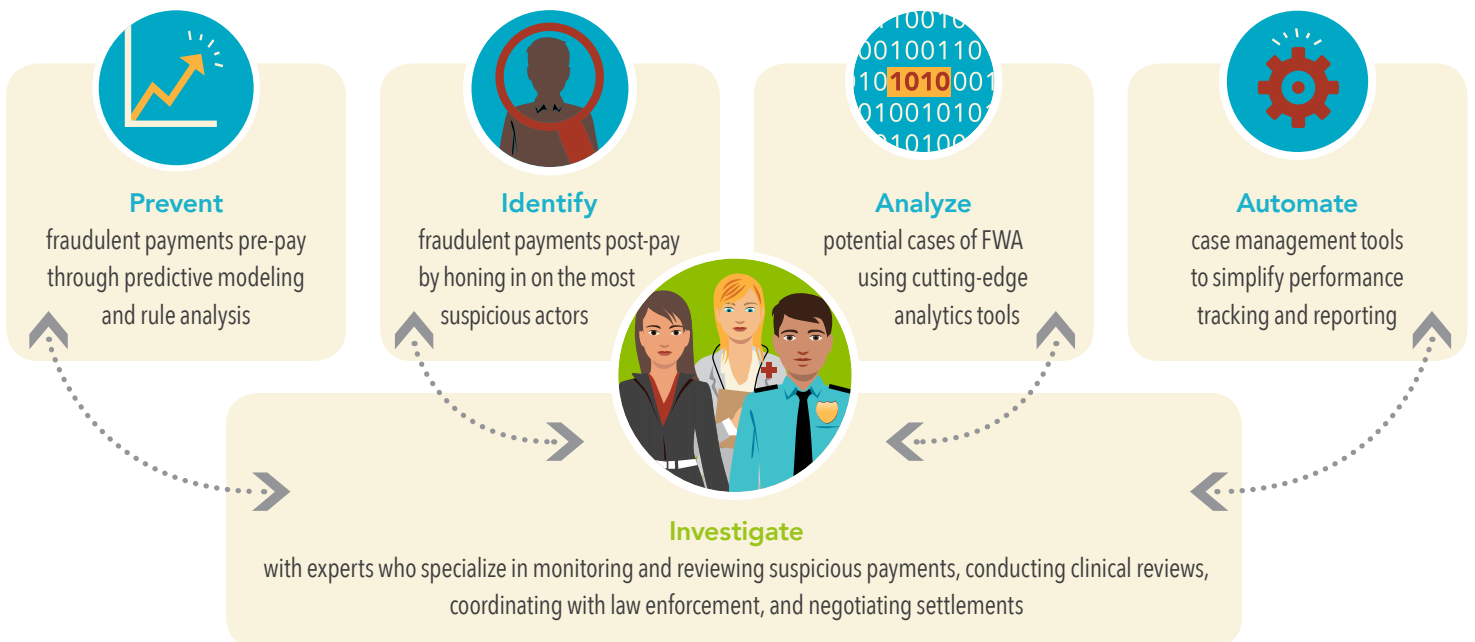
The federal government is cracking down on healthcare FWA ...

The **Healthcare Fraud & Abuse Control Program (HCFAC)** has recovered **\$19.2 billion** since 2009 using analytics. That's **\$8.10 for every \$1.00** invested in the program.

The **Affordable Care Act** expands criminal sentencing guidelines for healthcare fraud **20-50%**

... but the amount recovered represents only a small fraction of the amount lost

To outsmart increasingly-sophisticated forms of FWA, healthcare organizations will need domain expertise and tools to integrate and analyze disparate sources of data:



Government Business Council

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Sources:

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