Health Care Fraud Enforcement and Compliance: Trends and Developments

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Health Care Fraud Unit: Overview

- **DOJ Criminal Division, Fraud Section**
  - Health Care Fraud Unit
  - Securities and Financial Fraud Unit
  - Foreign Corrupt Practices Act Unit
- **Fraud Section Senior Management**
  - Sandra Moser, Acting Chief
  - Robert Zink, Acting Principal Deputy Chief
  - Joseph Beemsterboer, Chief, Health Care Fraud Unit
- **10+ Fraud Strike Force locations**
  - 50+ attorneys
  - Data Analytics Team

Health Care Fraud Unit: Mission

- **Focus solely on the prosecution of health care fraud cases**
  - **Emphasis:** cases involving patient harm & large loss to public
- **Identify**, **respond to**, and **prosecute** emerging fraud trends across the U.S.
- **Train** AUSAs and agents on best practices for investigating and prosecuting HCF cases
- **Analyze** data to:
  - Identify aberrant billing levels in health care fraud hot spots; and
  - Target suspicious billing patterns and schemes that migrate from one community to another

Health Care Fraud Unit: Locations

- **Strike Force Locations:**
  - Brooklyn
  - Chicago
  - Corporate
  - Detroit
  - Los Angeles
  - Miami
  - Newark/Philadelphia
  - New Orleans/Baton Rouge
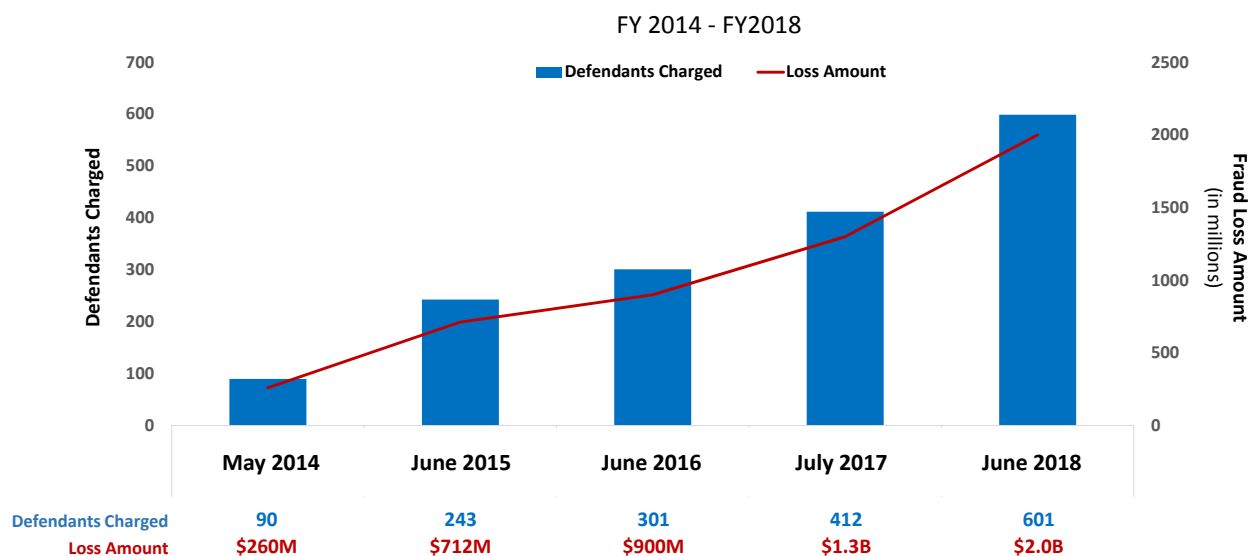 - Tampa
  - Texas (Houston, Dallas, McAllen)

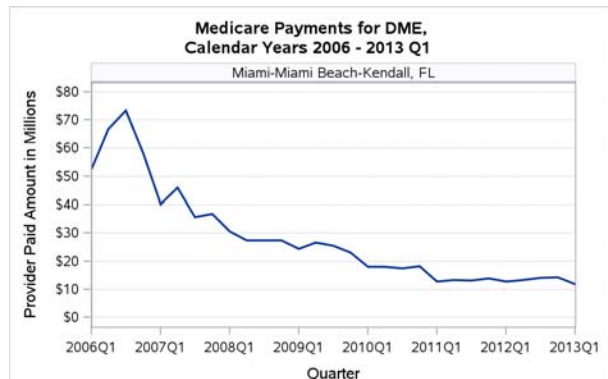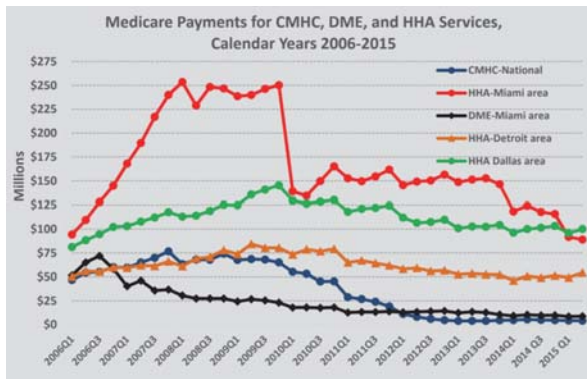# Signature Program: National HCF Takedown

June 2018 National HCF Takedown:

- 601 Defendants Charged, including:
  - 165 Medical Professionals
- $2 Billion in Losses
- 58 Federal Districts
- 30 Medicaid Fraud Control Units

National Health Care Fraud and Opioid Takedown Trends

FY 2014 - FY2018

	May 2014	June 2015	June 2016	July 2017	June 2018
Defendants Charged	90	243	301	412	601
Loss Amount	$260M	$712M	$900M	$1.3B	$2.0B

Strike Force: Success Metrics

Medicare Payments for CMHC, DME, and HHA Services, Calendar Years 2006-2015

Medicare Payments for DME, Calendar Years 2006 - 2013 Q1
Miami-Miami Beach-Kendall, FL

Strike Force: Team Approach

- HHS-OIG
- FBI
- DEA
- Internal Revenue Service, Criminal Investigations
- Homeland Security Investigations
- U.S. Secret Service
- Medicaid Fraud Control Units (MFCUs)
- Postal Inspection Service

Strike Force: Primary Statutes

- 18 U.S.C. §§ 1347, 1349 (health care fraud, conspiracy)
- 42 U.S.C. § 1320a-7b (federal anti-kickback statute)
- 18 U.S.C. § 1035 (false statements relating to health care matters)
- 18 U.S.C. § 371 (conspiracy to defraud, commit offense against U.S.)
- 18 U.S.C. § 287 (false claims)
- 18 U.S.C. §§ 1956, 1957 (money laundering)
- 18 U.S.C. § 1343 (wire fraud)
- 26 U.S.C. § 7206 (false tax statements)
- Title 21 drug offenses

Data Analytics Team: Overview

- Internally, the team is a hub for training, consultation, data management, and data analysis
  - Enables "smarter" investigations and prosecutions

- Externally, the team serves as a liaison with data teams at agencies performing work relevant to the HCF Unit's efforts

- Addresses analytical weaknesses to improve identification of health care fraud, waste, and abuse across the U.S. health care system

Data Analytics: "Smarter" Investigations and Prosecutions

- Prioritization of health care fraud prevention has:

  - **Significantly improved data analytic resources** allowing for increased data mining and quicker identification and action in fraud, waste, and abuse cases

  - **Strengthened collaboration** between Federal, State, and local agencies, allowing them to better coordinate data analytic resources

  - **Capitalized on the power of data** to improve the effectiveness of the Health Care Fraud and Abuse Control (HCFAC) program

Data Analytics: Advantages

- Proactively set our own prosecutorial agenda
  - Reduce reliance on cooperators and relators
  - Apply resources efficiently in top health care fraud threat areas

- Proactively identify where fraud is occurring
  - Efficiently identify potential witnesses and subjects
  - Shrink the time between the fraudulent acts and detection
  - Permit UC operations and possible seizure of assets