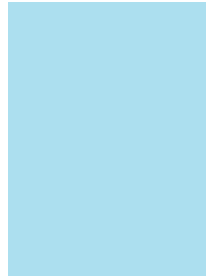




**BlueCross BlueShield  
Association**

An Association of Independent  
Blue Cross and Blue Shield Plans



## Healthcare fraud.

What you need to know about it.

*What we all can do to stop it.*



Healthcare fraud is more damaging than you probably imagine. Though committed by a very small number of people, healthcare fraud affects every patient, doctor and hospital in the country, wasting billions of dollars every year.

A goal of the Blue Cross and Blue Shield companies is to preserve healthcare quality and affordability. That's why we're working with hospitals, doctors, consumers and, where appropriate, law enforcement agencies to identify and stop healthcare fraud.



## What is healthcare fraud?

Everyone makes the occasional mistake, especially in an industry as complex as healthcare. Rest assured, inadvertent errors, such as entering the wrong billing codes, are not considered fraudulent.

Here's what healthcare fraud is: intentional, unlawful and sometimes repetitive deception for the purpose of gaining unauthorized benefits, financial or otherwise. Examples of healthcare fraud include:

- Deliberately submitting or filing false claims.
- Billing for services not rendered.
- Purposely misrepresenting a condition or the types of services provided.
- Intentionally omitting information about a condition, symptoms or services provided.
- A patient using a false ID.

## A growing problem.

According to the National Health Care Anti-Fraud Association, healthcare fraud accounts for at least 3 percent of overall healthcare spending, leading to losses of over \$60 billion in 2005. And with healthcare costs going up every year, so, too, are the costs of healthcare fraud.



The Blue Cross and Blue Shield companies invest in numerous programs that raise the industry standard for healthcare fraud prevention.

But we can't stop healthcare fraud alone. We need the participation and support of institutions and individuals, because a better understanding of healthcare fraud serves everyone's best interests.



### What we're doing to stop fraud.

- Our National Anti-Fraud Department (NAFD) guides the collective Blue Cross and Blue Shield companies' anti-fraud efforts. The NAFD develops, supports and guides a system-wide strategy for fraud management, collaborating with hospitals, doctors and communities nationwide to ensure the strategy's effectiveness.
- Where appropriate, the NAFD works with the National Health Care Anti-Fraud Association, the FBI and other law enforcement agencies, and public and private organizations to stop fraudulent activities.
- The Blue Cross and Blue Shield Anti-Fraud Task Force works with medical professionals and government agencies to uncover fraud in multiple states.
- Each Blue Cross and Blue Shield company has its own investigative unit that actively pursues fraudulent activities and the recovery of premiums misappropriated by fraud.
- Our computer and software technology analyzes millions of claims for patterns of suspicious billing activity.
- Our Blue Cross and Blue Shield Anti-Fraud Hotlines, including 1-877-327-BLUE (2583), receive more than 80,000 calls a year.

**In 2005, the Blue Cross and Blue Shield companies resolved more than 10,000 fraud cases, saving almost \$250 million.**



The more we all know about healthcare fraud, the easier it is to stop it.





### Informing consumers.

The Blue Cross and Blue Shield companies are also engaging consumers in the fight against fraud. We're asking them to follow a few simple steps to help prevent fraudulent activities, including:

- Safeguarding their insurance ID cards and Social Security numbers.
- Being aware of "free" services. If patients are asked to provide their insurance ID card, the service may not be free and could be fraudulently charged to them or their insurance company.
- Verifying dates, reasons, costs and services received on their Explanation of Benefits notices and medical bills.

These efforts are making a difference. And with your help, we can do even more to preserve healthcare quality and affordability.



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### How you can prevent fraud.

By identifying potential problems in the system, you can protect yourself and help stop fraud:

- Confirm patient identification. Ask for a picture ID (and keep a copy) to ensure that the person presenting the insurance card is the actual owner of that card.
- Protect your prescription forms, which are often stolen during medical visits and used in pharmacy fraud schemes.
- Check patient histories to help prevent prescription drug fraud. Ask patients if they are seeing or have obtained prescriptions from other doctors.
- Verify that billing codes are accurate.
- Implement procedures to ensure that information, such as the nature of services provided, is accurately communicated to your billing staff and to any third-party firms and services.



Healthcare fraud wastes \$165 million every day. Help stop this escalating problem. Call 1-877-327-BLUE (2583) or go to [www.bcbs.com/antifraud](http://www.bcbs.com/antifraud) to report fraudulent activity.



Healthcare fraud results in damaged reputations for hospitals and medical professionals, and distrust among insurance companies, doctors and patients.

**You can help ensure the quality, integrity and affordability of healthcare. Learn more about what healthcare fraud is and what you can do about it by visiting [www.bcbs.com/antifraud](http://www.bcbs.com/antifraud).**



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For more information about healthcare fraud,  
visit [www.bcbs.com/antifraud](http://www.bcbs.com/antifraud).

If you suspect healthcare fraud, call **1.877.327.BLUE (2583)**.