



HHS would Increase Rewards for Reporting Fraud to Nearly \$10 million

U.S. Health and Human Services (HHS) Secretary Kathleen Sebelius recently announced, “a proposed rule that would increase the rewards paid to Medicare beneficiaries and others whose tips about suspected fraud lead to the successful recovery of funds to as high as \$9.9 million. In addition, a new funding opportunity released this month (July 2013) supports the expansion of Senior Medicare Patrol (SMP) activities to educate Medicare beneficiaries on how to prevent, detect and report Medicare fraud, waste and abuse.”

According to the HHS press release, “Over the last three years, the administration has recovered over \$14.9 billion in fraud, some of which resulted from fraud reporting by individuals—a proven tool in helping the government detect fraud, waste and abuse in the Medicare program.

Under the proposed changes, a person that provides specific information leading to the recovery of funds may be eligible to receive a reward of 15 percent of the amount recovered, up to nearly \$10 million. HHS offers a reward of 10 percent up to \$1,000

under the current incentive program. The changes are modeled on an Internal Revenue Service (IRS) program that has returned \$2 billion in fraud since 2003.”

Link to the HHS press release here:
www.hhs.gov/news/press/2013pres/04/20130424a.html

WellPoint fined \$1.7 million for exposing health data on Internet

Health insurer WellPoint Inc agreed to pay a fine of \$1.7 million for allowing health and other personal information from hundreds of thousands of people to be accessed over the Internet, the U.S. Department of Health and Human Services (HHS) said.

Security weaknesses in a WellPoint online application database exposed information for 612,402 individuals between October 2009 and March 2010, according to DHHS. Data included names, dates of birth, addresses, Social Security numbers, telephone numbers and health information.

WellPoint, the second largest U.S. health insurer, agreed to the fine to settle potential violations of healthcare privacy laws. Since privacy laws prohibiting such potential disclosures by insurers or providers were enacted in 2009, HHS received 627 reports of breaches involving 500 or more individuals, according to HHS spokeswoman Rachel Seeger. The first case to be settled involved a \$1.5 million fine paid by Blue Cross/Blue Shield of Tennessee in March 2012, she said. “As soon as the situation was discovered in 2010, we made information security changes to prevent it from happening again,” WellPoint said in an emailed statement. WellPoint said it also provided credit monitoring and identity theft insurance to all those affected, and that it is not aware of any fraud or identity theft arising from the incident. (*Thomson Reuters—Reporting by Deena Beasley, July 11, 2013*)

If you suspect compliance, ethics, or integrity violation, or have questions about specific practices, please use the following resources:

- Talk to your Supervisor or Manager
- Call the Care1st HOTLINE at 1-877-837-6057. Anonymous. Available 24/7. Trained Professionals. Toll-Free

- Contact the Compliance Department at ComplianceSIU@care1st.com or ComplianceDepartment@care1st.com
- Call the Corporate Compliance Officer, Brooks Jones, CHC, at extension 6202
- Call Ellen Smart, AVP, Human Resources at extension 6203