What is Fraud and Abuse?

Fraud is defined as an intentional deception or intentional misrepresentation made by a person with the knowledge that the deception could result in some unauthorized personal benefit or unauthorized benefit to some other person. Fraud is dependent upon evidence that must prove misrepresentation with intent to illegally obtain services, payment or other gains.

Program abuse means provider practices that are inconsistent with sound fiscal, business or medical practices, that result in unnecessary cost to the Medicaid program, or that result in reimbursement for services which are not medically necessary or that fail to meet professionally recognized standards for health care.

Examples of provider fraud / abuse include:

- Billing for services or equipment that the patient did not receive
- Charging recipients for services over and above reimbursement
- Double billing or other illegal billing practices
- Submitting false medical diplomas or licenses in order to qualify as a Medicaid provider
- Ordering tests, prescriptions or procedures the patient does not need
- Rebating or accepting a fee or a portion of a fee for a Medicaid patient referral
- Failing to repay or make arrangements for the repayment of identified overpayments

Examples of recipient fraud / abuse include:

- Forging or altering prescriptions
- Allowing others to use a Medicaid card to get services
- Failure to keep the Medicaid card safe
- Intentionally seeking and receiving excessive drugs, services or supplies
- Collusion with providers in order to get services or supplies
- Providing false information in order to qualify for Medicaid
- Drug diversion