Contents

Preface xiii
Acknowledgments xvii

CHAPTER 1 Introduction to Healthcare Fraud 1
What Is Healthcare Fraud? 2
Healthcare Fraud in the United States 4
Healthcare Fraud in International Markets 4
What Does Healthcare Fraud Look Like? 5
Who Commits Healthcare Fraud? 9
What Is Healthcare Fraud Examination? 11
The Primary Healthcare Continuum: An Overview 13
Healthcare Fraud Overview: Implications for Prevention, Detection, and Investigation 14
Notes 17

CHAPTER 2 Defining Market Players within the Primary Healthcare Continuum 19
The Patient 19
The Provider 24
The Payer 42
The Employer/Plan Sponsor 48
The Vendor and the Supplier 49
The Government 50
Organized Crime 51
Market Players Overview: Implications for Prevention, Detection, and Investigation 53
<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>Title</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Continuum Audit and Investigative Model</td>
<td>57</td>
</tr>
<tr>
<td></td>
<td>Market Understanding</td>
<td>58</td>
</tr>
<tr>
<td></td>
<td>The Primary Healthcare Continuum (P-HCC)</td>
<td>58</td>
</tr>
<tr>
<td></td>
<td>The Secondary Healthcare Continuum (S-HCC)</td>
<td>58</td>
</tr>
<tr>
<td></td>
<td>The Information Healthcare Continuum (I-HCC)</td>
<td>62</td>
</tr>
<tr>
<td></td>
<td>The Consequence Healthcare Continuum (C-HCC)</td>
<td>63</td>
</tr>
<tr>
<td></td>
<td>The Transparency Healthcare Continuum (T-HCC)</td>
<td>65</td>
</tr>
<tr>
<td></td>
<td>The Rules Based Healthcare Continuum (R-HCC)</td>
<td>66</td>
</tr>
<tr>
<td></td>
<td>Audit Continuum Models Overview: Implications for Prevention, Detection, and Investigation</td>
<td>68</td>
</tr>
<tr>
<td></td>
<td>Notes</td>
<td>68</td>
</tr>
<tr>
<td>4</td>
<td>Secondary Healthcare Continuum</td>
<td>69</td>
</tr>
<tr>
<td></td>
<td>The Secondary Healthcare Continuum (S-HCC)</td>
<td>71</td>
</tr>
<tr>
<td></td>
<td>Audit Continuum Models Overview: Implications for Prevention, Detection, and Investigation</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td>Notes</td>
<td>75</td>
</tr>
<tr>
<td>5</td>
<td>Information Healthcare Continuum</td>
<td>77</td>
</tr>
<tr>
<td></td>
<td>Case Study Dr. Traveler—Recap</td>
<td>77</td>
</tr>
<tr>
<td></td>
<td>Continuum Audit Progression—Recap</td>
<td>78</td>
</tr>
<tr>
<td></td>
<td>The Information Healthcare Continuum (I-HCC)</td>
<td>78</td>
</tr>
<tr>
<td></td>
<td>Audit Continuum Models Overview: Implications for Prevention, Detection, and Investigation</td>
<td>83</td>
</tr>
<tr>
<td></td>
<td>Notes</td>
<td>84</td>
</tr>
<tr>
<td>6</td>
<td>Consequence Healthcare Continuum</td>
<td>85</td>
</tr>
<tr>
<td></td>
<td>Case Study Dr. Traveler—Recap</td>
<td>85</td>
</tr>
<tr>
<td></td>
<td>Continuum Audit Progression—Recap</td>
<td>86</td>
</tr>
<tr>
<td></td>
<td>The Consequence Healthcare Continuum (C-HCC)</td>
<td>86</td>
</tr>
<tr>
<td></td>
<td>Economic Business Impact</td>
<td>88</td>
</tr>
<tr>
<td></td>
<td>Serviceability and Service Integrity</td>
<td>89</td>
</tr>
<tr>
<td></td>
<td>Service, Medical, and Financial Errors</td>
<td>90</td>
</tr>
<tr>
<td></td>
<td>Audit Continuum Models Overview: Implications for Prevention, Detection, and Investigation</td>
<td>90</td>
</tr>
</tbody>
</table>
Contents

CHAPTER 7  Transparency Healthcare Continuum 93
   Case Study Dr. Traveler—Recap 93
   Continuum Audit Progression—Recap 94
   The Transparency Healthcare Continuum (T-HCC) 95
   Audit Continuum Models Overview: Implications for Prevention, Detection, and Investigation 96

CHAPTER 8  Rules Based Healthcare Continuum 97
   Case Study Dr. Traveler—Recap 98
   The Rules Based Healthcare Continuum (R-HCC) 99
   Continuum Audit Progression—Summary 104
   Audit Continuum Models Overview: Implications for Prevention, Detection, and Investigation 106
   Notes 107

CHAPTER 9  Protected Health Information 109
   Health Insurance Portability and Accountability Act of 1996 109
   Audit Guidelines in Using Protected Health Information 110
   Protected Health Information Overview: Implications for Prevention, Detection, and Investigation 113

CHAPTER 10  Health Information Pipelines 115
   The Auditor's Checklist 115
   What Are the Channels of Communication in a Health Information Pipeline? 116
   Unauthorized Parties 125
   Health Information Pipelines Overview: Implications for Prevention, Detection, and Investigation 126

CHAPTER 11  Accounts Receivable Pipelines 129
   Overview of Healthcare Reimbursement 130
   Types of Reimbursement Models 131
   Data Contained in Accounts Receivable Pipelines 135
Contents

The Vendor/Other Parties 201
Organized Crime 205
Normal Infrastructure and Anomaly Tracking Systems Overview: Implications for Prevention, Detection, and Investigation 207
Notes 207

CHAPTER 17 Components of the Data Mapping Process 209
What Is Data Mapping? 209
Data Mapping Overview: Implications for Prevention, Detection, and Investigation 213

CHAPTER 18 Components of the Data Mining Process 215
What Is Data Mining? 215
Data Mining Overview: Implications for Prevention, Detection, and Investigation 219

CHAPTER 19 Components of the Data Mapping and Data Mining Process 221
Forensic Application of Data Mapping and Data Mining 224
Data Mapping and Data Mining Overview: Implications for Prevention, Detection, and Investigation 226

CHAPTER 20 Data Analysis Models 227
Detection Model 227
Investigation Model 230
Mitigation Model 233
Prevention Model 235
Response Model 240
Recovery Model 244
Data Analysis Model Overview: Implications for Prevention, Detection, and Investigation 253
## Contents

**CHAPTER 21**  
Clinical Content Data Analysis  
What Is SOAP?  
The SOAP Methodology  
Electronic Records  
Analysis Considerations with Electronic Records  
Narrative Discourse Analysis  
Clinical Content Analysis Overview: Implications for Prevention, Detection, and Investigation  

**CHAPTER 22**  
Profilers  
Fraud and Profilers  
Medical Errors and Profilers  
Financial Errors and Profilers  
Internal Audit and Profilers  
Recovery and Profilers  
Anomaly and Profilers  
Fraud Awareness and Profilers  
Profiler Overview: Implications for Prevention, Detection, and Investigation  

**CHAPTER 23**  
Market Implications  
The Myth  
"Persistent"  
"Persuasive"  
"Unrealistic"  
Market Overview: Implications for Prevention, Detection, and Investigation  

**CHAPTER 24**  
Conclusions  
Micromanagement Perspective  
Macromanagement Perspective  
Overview of Prevention, Detection, and Investigation  

*About the Author*  

*Index*