

**Mimi had just started a new job at a small company. Her employer provided a healthcare plan that included family members. Mimi was not married, but she lied to the company's benefits coordinator, saying her new boyfriend was her husband so he could also be covered by the company's plan.**

Whether she knew it or not, Mimi committed insurance fraud – a serious crime in Pennsylvania. **IN FACT, IT'S CONSIDERED A FELONY.**

Those convicted of the crime face fines, legal fees, even prison time. Not to mention a wide range of personal and professional consequences, such as job loss and harm to reputations and family relationships. It's a crime that goes on your permanent record.

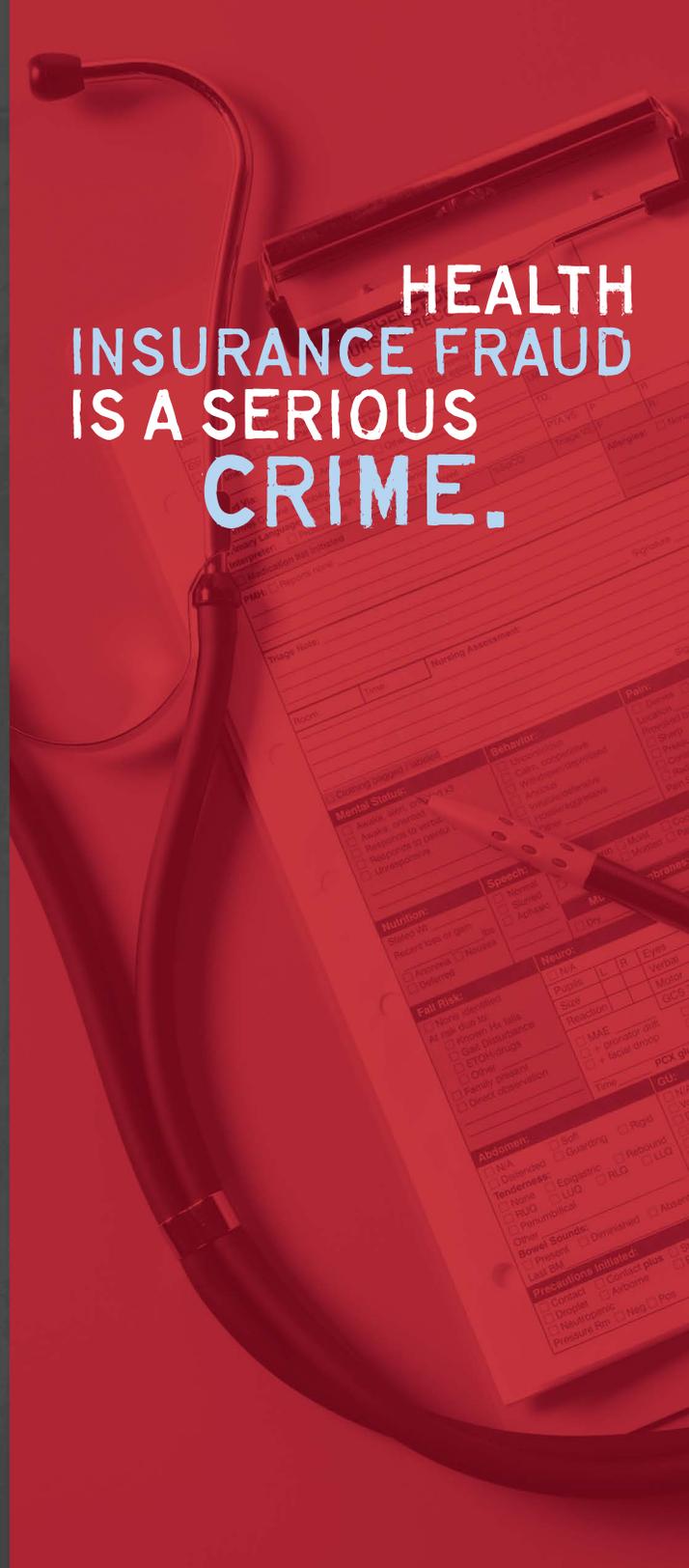


## PA INSURANCE FRAUD PREVENTION AUTHORITY

KNOW THE RISKS. KNOW THE PENALTIES.

6 Kacey Court, Suite 101, Mechanicsburg, PA 17055  
t: 717.975.9074 | f: 717.975.9089

[helpstopFRAUD.org](http://helpstopFRAUD.org)



# HEALTH INSURANCE FRAUD IS A SERIOUS CRIME.

## CRIME AND...

When false or misleading information is given to a health insurance company in order to get the company to pay unauthorized benefits, that's insurance fraud. The offense can be committed by the insured person or the provider of health services, with the stolen funds going to the policyholder, the health provider or even a third party.

**An individual subscriber can commit health insurance fraud by:**

- allowing someone else to use his or her identity and insurance information to obtain health care services
- using benefits to pay for prescriptions that were not prescribed by his or her doctor

**Health care providers can commit fraudulent acts by:**

- billing for services, procedures and/or supplies that were never rendered
- charging for more expensive services than those actually provided
- performing unnecessary services for the purpose of financial gain
- falsifying a patient's diagnosis to justify tests, surgeries or other procedures
- billing each step of a single procedure as if it were a separate procedure
- paying "kickbacks" for referral of motor vehicle accident victims for treatment

*Chris was the only one in his family with health insurance, but he let his brother and cousin use his card to receive health care benefits.*

*A doctor received the results of medical testing performed by a diagnostic firm for her interpretation of the results. The doctor billed the patients' health insurance as though she performed both the testing and interpretation of the tests.*

## ...CONSEQUENCES

In 2012, 35% of arrests for health insurance fraud in Pennsylvania were the result of false billing by medical providers and 43% were caused by subscriber theft of benefits or use of forged prescriptions for drugs. The balance of arrests came from application frauds and premium thefts done by insurance producers.

Most health insurance includes a maximum of benefits. Fraudulent practices such as misrepresenting the type of services rendered rob consumers of these benefits.

This is why health insurance fraud is such a serious crime. As with all other types of insurance fraud, Pennsylvania considers it a felony. **Violators can spend up to seven years in prison and pay up to \$15,000 in fines.** There are also many other associated expenses such as court costs and legal fees. Plus, those found guilty of insurance fraud have the stigmas and limitations of being a convicted felon to carry with them for life.

## PREVENTION

Individuals who subscribe to health insurance can avoid facing situations where there's an opportunity to commit fraud and at the same time be observant for instances of any providers' fraudulent acts.

**First, understand your policy and what it covers,** such as amounts of your co-pay and other details. Understand that this policy is specific about who it covers as well – **never attempt** to use it to get medical services for someone who is not authorized to receive them.

**Each time you are billed for a visit, check your statement** to ensure that the type and number of services provided are correct – and that each has been rendered. Make sure that details such as the date of service are accurate and the proper copayment amount was charged or collected.

Learning all you can about health insurance fraud will help you avoid costly and life-changing situations. And in all aspects of your dealings with health insurance, make sure the information you provide is truthful and accurate.

**To learn more about insurance fraud and how you can prevent it, visit [helpstopFRAUD.org](http://helpstopFRAUD.org).**