Medicaid Special Investigations Unit update for providers

The Medicaid Special Investigations Unit (MSIU) works diligently to prevent fraud, by both providers and members. The MSIU endeavors to provide a fair and innovative environment for both providers and members. In cooperation with Anthem Blue Cross and Blue Shield Medicaid (Anthem), the MSIU conducts numerous onsite and records-only audits per year. In many instances, we find billing and other errors made by providers with no fraudulent intent. The MSIU would like to give providers tips to ensure billing and operations are conducted lawfully and within health plan limitations and requirements.

The majority of health care fraud is committed by organized crime groups, with a smaller percentage being committed by dishonest health care providers. The most common types of health care fraud the MSIU encounters are:

- Providers billing for services that were never rendered, either by the provider using real patient information or information gained through identity theft. This also includes providers “padding” claims with procedures that were never performed or were not performed to the extent billed.
- Billing for more expensive services or procedures than were actually provided or performed. This practice is also known as “up coding” and is a commonly seen problem on many provider claims. Up coding can also be a consequence of falsifying the patient’s diagnoses in order to be paid more for a claim or to justify unnecessary testing. It is imperative that providers have a knowledgeable billing staff. Improper billing can result in large overpayments or criminal prosecution. Providers are encouraged to take billing seriously, as a small mistake in billing now could cause larger problems later.
- Performing medically unnecessary services for the purpose of receiving larger reimbursement from the health plan.
- Misrepresenting treatments as medically necessary covered treatments for the purpose of obtaining reimbursement. One example of this is a plastic surgery (cosmetic) procedure being billed as medically necessary.
- Unbundling claims – billing each step of a procedure, even when the steps are part of one billing code.
- Billing a patient for more than the copayment amount for services that were prepaid or paid in full by the health plan.
- Accepting kickbacks from physicians or others for referrals.
- Waiving patient copayments or deductibles.

While the examples above are not all-inclusive, those mentioned are the most commonly encountered by MSIU investigators and auditors. If you suspect health care fraud in any form, please report it to the MSIU at www.MedicaidFraud@anthem.com.

For more information about MSIU, contact Provider Services at 1-855-661-2028.