

FRAUD BY ANY OTHER NAME IS STILL FRAUD:

CPC Qualicare , and the IPA Foundation , are totally opposed to any form of Medical aid fraud, as well as subversion of the laws of Natural Justice. Neither will be countenanced. IPAF strongly states that affiliation to any IPA group or any pressure group or representative organisation cannot be used to defend doctors who have committed fraud.

Initial meeting:

Some 4 weeks ago , IPAF met with one of the major players in the Funder market, as a follow up to an initial meeting held by CPC Qualicare, at the request of some of our members who had been investigated for alleged fraudulent billing.

Accused Doctors position:

The doctors felt that they had been unfairly targeted because of their racial stereotype, as well as because of the socioeconomic population group they serve.

At the initial meeting in CT, the doctors indicated their disapproval of the methodologies used by the Forensic Management Unit of that Funder. They said that these were unorthodox, amounted to entrapment or setting up of the doctor, played upon the asymmetry of information, innuendo and the emotions of the doctor. They alleged that they were even offered acutely ill patients in urgent need of treatment accompanied by a “ plant “ from the funder, to “tempt” the doctor into seeing the patient who was in dire need of treatment.

For all of these reasons, the doctors present suggested that they be granted an amnesty and that, going forward, rules of engagement be urgently accepted by both sides.

Funders response:

The Funder group in turn advised that they worked from tip offs, whistle blowers, or from statistical information which revealed out of the ordinary claiming patterns, which triggered a closer inspection of the practice and which could culminate in the placement of a number of “plants” . They emphasised that none of the plants were ever acutely ill , none of them were instructed to try to entrap the doctor and that none of them or the investigators worked on a commission.

The funder would carefully store all of the evidence (medicines dispensed placed into sealed containers) , analyse all of the data, view the videotapes taken by hidden cameras, await the accounts, reconcile them against the services rendered and medicines dispensed, and look for discrepancies. These would be logged and the process repeated up to 6 times, whereafter, if the evidence suggested fraudulent activities, the doctor would be requested to meet them to discuss their positive findings.

They emphasised that they have a fiduciary duty to protect their members from theft and abuse of funds, something which IPAF fully accepts and supports. No IPAs within the IPAF (and hopefully no IPAs or representative organisations who not part of IPAF) could possibly take issue with that.

Qualicare suggests Peer reviewed data from the Funder be made available :

At the initial meeting, CPC Qualicare suggested that the Funder provide the doctors across the board with their peer reviewed data so that they could see at an early stage that their practice was out of line , and take the necessary remedial action, including avoidance of any element of fraud. The funder did not warm to this idea.

Further higher level meeting:

Clearly a more in depth meeting was necessary , and the matter was referred to IPAF for further analysis.

The meeting was attended by 5 representatives of the FMU of the Funder , as well as Prof Morgan Chetty (Chairman of IPAF) and Dr Tony Behrman (CEO of IPAF) and lasted many hours.

At the discussion ,IPAF once again emphasised our zero tolerance to fraud but emphasised the absolute requirement that funders ***observe the laws of Natural Justice*** when dealing with suspects etc.

Any asymmetry of information, suggestion of coercion, use of unreasonably short time frames, failure to hear and consider the other side's story, test the other sides evidence and any element of simultaneously being judge , jury and executioner was ***rejected by IPAF as unacceptable***.

The problem comes in as to how this has been proven, and whether the confession has been taken in line with Natural justice. The current methodologies as to how the scheme has proven the allegations, the asymmetry of information at the interview, and the inability of opportunity to prepare any form of defence.

Offer of mediation:

At our meeting, the Funder proposed a system of mediation, a cost effective manner in dispute resolution without utilising the Courts, and with a high rate of success in other fields. Should this fail however, then it's "sister", namely arbitration , is a costly next step and those costs would normally be awarded against the loser, thereby adding to what can already be a crippling debt emanating from the estimated claim of the funder, should the arbitration go against the doctor.

Should you just pay up?

So , if you have committed fraud , and have been caught with your " hand in the cookie jar" should you make the funders an offer of a percentage of that which they have estimated you owe them?

HPCSA says a clear NO and indicate that it is an ethical offense to do so without the matter being adjudicated by them. They insist that all fraud must be reported to Council and that doctors should not become involved in negotiations with funders in mitigation or defence of fraud allegations, or payment of debts calculated by funders.

It appears however that doctors and funders want results which speedily address the problems, and possibly the perceived delays at the HPCSA may put them off. Until this is done, the funders will have suspended direct guaranteed payment to the practice in question, and choke off its life line of income.

Bottom line ... How much could it cost you?:

HPCSA aside, funders do have a bottom line, below which they will refuse to negotiate, and will instead turn the entire matter over to the SAP, SARS, HPCSA etc etc.

Their current formula is rather simplistic:

- They request that you repay them:
- The number of positive plants divided by the total number of plants, Multiplied by
- The average overcharged on each positive plant, Multiplied by
- The total number of patients seen during that year,
- Multiplied by 3 years.

Thus 100% of all plants X let's say R 120.00 X 960 patients per year from that funder X 3 years

= R 432,000.00 payable over 10 months in PD cheques!!

From this you will see that currently neither side approaches this scientifically, openly, honestly or within the bounds of Natural justice. Neither has the answer, nor moral high ground.

Its "set a thief to catch a thief...."

Fight Fire with fight fire, I hear you say? Remember that if we break down the rules of Natural Justice, the whole of society will soon follow, and where will it all end?

From the doctors point of view, they seem to be able to make it "go away" by paying up, based upon the evidence which is presented to them, often in the form of clandestine, but irrefutable Videocamera evidence, proving that the doctor has defrauded the fund but not showing the quantum. And it is the quantum which is so highly debatable.

A suggestion is that funders use biometric data to identify card holders and rather beef up their cards instead of spending huge monies on sophisticated fraud busting equipment.

Final word from IPAF

No easy answers here except to **stop committing fraud**, however with a third party payor system acting as a blank cheque, it seems that this may well continue for years to come.

We know that the smallest minority of doctors indulge in these practices, and to them, we say that you are not welcome in IPAF and that you need to clean up your act..... fast.

We are not on the same page as you.

Furthermore we are committed to nation wide fraud workshops NOW.....