

For brokers, general producers and full-service producers

Not intended for distribution to groups or members

Date: January 24, 2019

Market: All

Producer Fraud, Waste and Abuse

CareFirst BlueCross BlueShield is committed to protecting and preserving the integrity of health care resources and tax payer dollars. We recognize health care fraud, waste and abuse as major drivers of rising health care costs in the United States. To combat this alarming trend, we must actively prevent, detect and investigate all allegations of fraud, waste, and abuse:

Fraud involves deliberate deception. It includes acts of deceit, trickery, forgery or design used to obtain or deprive others of money or property. Fraud can be committed by our business partners, but also by internal personnel.

Waste refers to any practice resulting in unnecessary costs and inefficiencies.

Abuse refers to any activity inconsistent with generally accepted business, medical or fiscal standard practices. Often it results in unauthorized benefits to the abuser.

Our policy

Fraud, waste and abuse related to our business operations is strictly prohibited. CareFirst policy requires all suspected instances of fraud and/or abuse to be thoroughly investigated and appropriately resolved. Our comprehensive Fraud Prevention Plan is designed to prevent, detect, investigate and resolve any allegations, including but not limited to:

- Provider and member claims
- Over or under-utilization
- Misrepresentations of member information
- Misuse of corporate assets
- Improper changes to company records or financial statements
- Other forms of fraud

The CareFirst Special Investigations Unit (SIU) has identified five major groups that may commit fraud, waste and abuse:

1. Providers
2. Subscribers
3. Associates
4. Producers
5. Others

As producers, please refer to the [Third-Party Code of Ethical Business Conduct & Compliance](#) and review your specific CareFirst Producer Agreement. This document defines your legal obligations and identifies reasons for termination for cause. **Please note:** *You may disregard the final section of the Third-Party Code (you are not required to complete CareFirst's mandatory trainings, conflict of interest disclosure statement or compliance certification form).*

If an SIU investigation finds a producer involved in some fraudulent action against CareFirst, **the individual will be reported** to the appropriate state licensing agency and/or law enforcement entity. The CareFirst Producer Agreement will also be severed. Other consequences may apply for abusive behaviors, including loss of compensation, demand for reimbursement and/or licensing agency or law enforcement reporting.

If you witness actual behaviors or practices that conflict with CareFirst's mission or values, or suspect fraud, waste, or abuse, we urge you to speak up. Report allegations to the Special Investigations Unit at SIU@carefirst.com or the Anti-Fraud & Abuse Hotline at **800-336-4522** or **410-998-5488**.

We appreciate and value our partnerships with producers and agencies and look forward to a mutually successful 2019.

For more information

If you have any questions, please contact Chris Culotta at chris.culotta@carefirst.com.