

\$4 Billion in Fraud Recoveries in 2010

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The **Health Care Fraud and Abuse Control (HCFAC) Program Annual Report for 2010** was released January 24, and reports a record \$2.5 billion in health care fraud settlements that the DOJ won or negotiated. The report also lists \$851 million in recoveries paid to federal agencies, including TRICARE, the VA, and the Federal share of Medicaid. Another \$307 million was paid to qui tam relators.

HCFAC was established under the Health Insurance Portability and Accountability Act of 1996, and operates under the joint direction of the U.S. Attorney General and the Secretary of the Department of Health and Human Services. The report details the allocation of HCFAC funding for both OIG and HHS, which totals over \$577 million. The three-year rolling average return on investment for HCFAC, is \$6.8 for every \$1 spent.

The report also highlights the Health Care Fraud Prevention & Enforcement Action Team (HEAT), which was introduced in 2009. HEAT integrates “top level law enforcement agents, prosecutors, attorneys, auditors, evaluators, and other staff from DOJ and HHS and their operating divisions, and is dedicated to joint efforts across government to both prevent fraud and enforce current anti-fraud laws around the country.” The Medicare Fraud Strike Forces, a component of HEAT, has been expanded to include seven urban areas: Miami, Florida; Los Angeles, California; Detroit, Michigan; Houston, Texas; Brooklyn, New York; Baton Rouge, Louisiana; and Tampa, Florida. The Strike Forces efforts in 2010 yielded 140 criminal indictments involving 284 defendants, who collectively billed the Medicare program more than \$590 million.

Exclusions from the Federal health care programs are also reported. Approximately 3300 individuals and entities were excluded in 2010, about half due to licensure revocations and one-quarter due to criminal convictions relating to Medicare/Medicaid crimes.

Senator Chuck Grassley (R-Iowa) reintroduced his fraud-fighting bill, titled “The Strengthening Program Integrity and Accountability in Health Care Act,” on January 28. The bill seeks, in part, to increase HCFAC funding for the next 10 years.

Today's post was contributed by [Thomas Schroeder](#).

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