

Reporting cost report fraud and seeking a whistleblower reward

Reporting cost report fraud

This article shows you how to get a reward for reporting cost report fraud under Medicare or Medicaid programs. Below are examples of cost report fraud followed by tips for reporting cost report fraud and how to obtain a reward.

Examples of cost report fraud schemes

Although most Medicare Part A healthcare providers are paid under the prospective payment system, there is still some areas that Medicare pays on a cost-based basis and are ripe for cost report fraud. Specifically, hospitals, nursing homes and home health agencies are still required to submit cost reports to Medicare and Medicaid. Below are some examples of common cost report fraud schemes.

One example of cost report fraud consists of hospitals, nursing homes or home health agencies seeking reimbursement for costs that are not apportionable to Medicare patients or combining non-Medicare patients in the cost basis. Similarly, it is cost report fraud to bill or include costs that are unrelated to patient care. A variation of this example or type of cost report is inflating or falsely increasing costs, such as exaggerating costs or including services, supplies and equipment that are not covered or reimbursable.

Other examples of cost report fraud consist of Stark violations by hospitals, nursing homes or home health agencies, such as failing to disclose the related relationship between other healthcare providers that are supplying any medical goods, equipment or services. The Stark laws prohibit self-dealings and it is cost report fraud to fail to disclose related entities, such as ownership interests between hospitals, nursing homes or home health agencies and any supplier of goods, equipment or services .

Cost report fraud also occurs when the hospitals, nursing homes or home health agencies improperly manipulate statistics, such as cost center allocations, patient census, or square footage. Similarly, a hospital, nursing home or home health agency commits cost report fraud when it improperly or fraudulently shifts costs to the wrong or incorrect cost center. There is also cost report fraud due to cheating on outlier payments or capital costs.

Tips for reporting cost report fraud

It is not enough to call a Medicare or Medicaid fraud hotline to get a whistleblower reward for reporting cost report fraud. Instead, you must formally apply for a reward for reporting cost

report fraud through the use of an attorney (on a contingency basis) and have them actually file a qui tam suit under the False Claims Act.

In addition, your attorney must strictly follow all of the exacting procedures of the whistleblower reward statute to get a reward for reporting hospitals, nursing homes or home health agencies cheating or defrauding Medicare or government healthcare programs through cost report fraud.

Moreover, you also need to have specific and detailed evidence of cost report fraud. The government needs your help in uncovering fraudulent billings in cost report. However, because most whistleblower reward applications lack specific proof of fraud (or contain another defect), the government turns away most reward applications. That's why selecting an experienced attorney that has handled many Medicare fraud cases is very important.

How much reward for reporting a cost report fraud?

The amount of a whistleblower reward for reporting cost report fraud is based upon the amount the government recovers back, and the reward is between 15% and 25% of what the government collects from the cost report company cheating Medicare. For instance, if cost report charges cheat Medicare by \$10 million, the amount of the whistleblower reward could be between \$1.5 million and \$2.5 million.

How to report a cost report fraud

The Hesch Firm's website (and the books authored by Mr. Hesch) walk you step-by-step through the entire process of reporting cost report fraud and shows you how to obtain a whistleblower reward.

Mr. Hesch has considerable experience with investigating Medicare fraud against the federal government while working for 15 years at the Civil Fraud Section of the U.S. Department of Justice in Washington, D.C., which is the office with nationwide authority over the whistleblower reward program. He now represents whistleblowers and confidentially reviews information to determine whether and how to report cost report fraud.

Visit his website at www.HowToReportFraud.com to find out if Mr. Hesch can help you answer the question of how to report cost report fraud and receive a whistleblower reward.