

**Health Reform: Fraud and Abuse Workgroup**  
**Thursday, February 17, 2011**  
**North Carolina Institute of Medicine, Morrisville**  
**1:00pm-4:00pm**  
**Meeting Summary**

**Attendees:**

*Workgroup Members:* Albert Koehler (co-chair), Tara Larson (co-chair), Amelia Bryant, Robert Blum, Kenneth Burgess, Clarence Ervin, Jeff Horton, Cheryl Ann Mulloy-Villemagne, Rosalyn Pettyford, Timothy Rogers, Doug Thoren, Craig Umstead

*Steering Committee Members:* Clarence Ervin, Tracy Hayes, Albert Koehler, Tara Larson, Doug Thoren

*NCIOM Staff:* Sharon Schiro, Rachel Williams

*Other Interested Persons:* Kathy Arney, Glenda Artis, Heather Carter, Kevin Hutchinson, Renee Montgomery, Amanda Ray, Ellen Roeber, Tom Saldrige, Chris Skowronek, Curtis Venable, Nancy Warren

**Welcome and Introductions**

*Albert P. Koehler, Deputy Commissioner/Director, Criminal Investigations Division, North Carolina Department of Insurance, Co-chair*

*Tara Larson, MAEd, Chief Clinical Operations Officer, Division of Medical Assistance, Co-chair*

Mr. Koehler welcomed everyone to the meeting.

**Legislation Review**

The workgroup discussed the draft of the proposed fraud and abuse legislation, and whether the proposed legislation should be included in the NCIOM's interim report on health reform. A few members expressed concern about the short time allowed for comments on the legislation. The workgroup agreed to leave the draft legislation out of the interim report to allow for more time for comments (due February 28<sup>th</sup>). A subcommittee of those representing institutional providers, licensed professionals, and other interested parties will meet to review the legislation and come to consensus on proposed changes. This subcommittee will report back to Tara Larson by 28 February. Comments received previously include concerns of going beyond federal government requirements, disagreements with the pre-payment and/or suspension payment process, preferences for certain pieces to have administrative rules instead of a statute, clarification of the

definition of a health care provider, and concerns of pieces matching with Medicare as much as possible. The section on criminal background checks was based on the Florida law. It was agreed that this version was too prescriptive and that the crime list was too broad. The crime list needs to be based on categories of felonies and misdemeanors. Doug Thoren will revise this section of the legislation.

### **Interim Report**

The gap analysis and the 19 legislative proposals agreed upon by the workgroup to include in the legislation are approved to be included in the report. No other requests for changes were voiced during the meeting.

### **Quarterly Meeting Structure**

The workgroup discussed the structure of proposed quarterly meetings for stakeholders to exchange fraud and abuse information. Topics included open versus closed meetings, expectations, participants, how to encourage open communication, and what information should be shared. One concern over open meetings is that discussing providers under investigation for fraud and abuse could hurt providers even if they are found not guilty. Others in the workgroup expressed concern over transparency and accountability if the meetings were closed.

Suggestions included having part of the meeting open and another part of the meeting closed, sharing trends rather than individual indictments, and having a public conference call hosted by the Division of Medical Assistance (DMA) instead of a formal meeting.

Participants in the meetings should include provider licensing boards, billing entities, interested associations, DMA, etc.

Discussion of topics to be addressed at the quarterly meetings focused on trend analyses, such as problems seen on provider audits by DMA, problems identified by provider associations or providers through their own audits, and survey issues.

### **Next Meeting—March 15 at 9:00am**

For the next meeting, the workgroup will look at recipient fraud including the impact of identity theft and illegal immigration, elder abuse, failure to report assets and changes in eligibility, and system changes that could be made to address fraud.

### **Public Comment Period**

No further public comments were given.