
FEHB Program Carrier Letter

All Carriers

U.S. Office of Personnel Management
Insurance Services Programs

Letter No. 2007 - 12

Date: March 30, 2007

Fee-for-service [8] Experience-rated HMO [6] Community-rated HMO [8]

SUBJECT: Notifying OPM's Office of the Inspector General Concerning Fraud and Abuse Cases in the FEHB Program

Effective immediately, all FEHB Program carriers must follow the guidance contained in this letter concerning fraud and abuse cases involving the FEHB Program. This guidance replaces all previous guidance concerning notification of the Office of the Inspector General concerning fraud and abuse cases. However, fraud and abuse annual reports, as described in Carrier Letter 2003-25, are still required.

Notification of Investigative Activities

All carriers must send a written notification/referral to the OPM-OIG within 30 days of becoming aware of any cases involving suspected false, fictitious, fraudulent, or misleading insurance claims, when the following conditions are met:

- (1) the suspected health care provider has been paid over \$20,000 in claims for FEHB Program enrollees, OR
- (2) the suspected FEHB Program enrollee has been paid over \$10,000, OR
- (3) the entire scope of the investigation exceeds \$50,000 and includes claims for FEHB Program enrollees and the carrier is coordinating its investigation with any other Federal law enforcement agency (such as, but not limited to, the Federal Bureau of Investigation, Defense Criminal Investigative Service, Health and Human Services Office of Inspector General, U.S. Postal Inspection Service, U.S. Attorney's Office, Department of Justice, etc.)

All carriers must also send a prompt written notification/referral to their Contracting Officer and OPM-OIG for any cases, regardless of the dollar amount of claims paid, if there is an indication of patient harm, potential for significant media attention, or other exceptional circumstances.

Referrals must include:

- (1) A written description of the nature of the suspected fraud or abuse, AND

- (2) Complete identifiers on file for the suspected health care provider or enrollee, including but not limited to name, business name, address(es), telephone number(s), date(s) of birth, social security number(s)/tax identification number(s), and universal provider identification number(s), AND
- (3) A written summary of the evidence the carrier has reviewed which causes the carrier to suspect fraud or abuse has occurred, AND
- (4) A claims history for the provider or enrollee, AND
- (5) Copies of any relevant or supporting documents obtained or produced by the carrier's Special Investigations Unit (SIU) during preliminary investigation, AND
- (6) Contact information for the SIU investigator responsible for preparing the referral.

Notification of Carrier Settlement Agreements

All carriers must send prompt written notification to the OPM-OIG as soon as they are aware of any settlement agreements where the following conditions are met:

- (1) a carrier resolves claims with any type of health care services provider for recovery of overpayments by the carrier to the provider which resulted from apparent false, fictitious, fraudulent, or misleading claims submitted by the provider to the carrier; AND
- (2) at least \$20,000 of the identified overpayments to the provider is money paid through the FEHBP program,

then the carrier must:

- (A) include the language listed below in the settlement agreement, AND
- (B) not include a confidentiality clause in the settlement agreement which restricts the Government's access to the agreement, AND
- (C) send notification of the settlement agreement to the OPM-OIG, AND
- (D) provide a copy of the settlement agreement to the OPM-OIG.

Language for the settlement agreement:

"This settlement agreement in no way waives the rights of the United States Government under any Federal statute to pursue civil and/or criminal fines, penalties, recoveries, etc., for claims submitted to the carrier under the Federal Employees Health Benefits (FEHB) Program."

If a carrier enters into negotiations with a provider such as those described above and at least \$20,000 of the identified overpayment to the provider was from monies paid through the FEHB Program, but the FEHB Program overpayments were excluded from the final settlement agreement for any reason, the carrier must send notification to the OPM-OIG without delay.

Response to OPM-OIG Requests for Information

Upon request, all carriers must furnish the OPM-OIG Office of Investigations with FEHB Program claims information and supporting documentation relevant to open criminal, civil, or administrative investigations.

Special Agents of the OPM-OIG will make initial requests for claims information on the “FEHBP Exposure Data Request Form” (copy enclosed).

- (A) In response to exposure requests, carriers must furnish a claims history via electronic media for the subject of the exposure request. The scope of the claims history required will be specified by the OPM-OIG Special Agent on the exposure request.
- (B) Absent extenuating circumstances, carriers are expected to furnish requested data within 30 days.
- (C) Unless directed otherwise, carriers must comply with the standard data format established by the OPM-OIG. A list of the specific data fields required is attached.
- (D) Any spreadsheets or documents containing sensitive or proprietary data forwarded to the OPM-OIG by the carrier via email must be encrypted.
- (E) Any sensitive or proprietary data sent via mail or delivery service should, at a minimum, be password protected.

During the course of investigation, OPM-OIG Special Agents may require additional documentation from the carrier (claims, checks, correspondence, etc.). The OPM-OIG Special Agent will contact the carrier SIU investigator assigned to the initial exposure request when additional documentation is needed.

OPM-OIG Contact Information

Notification of investigative activities and settlement agreements should be sent to the Special Agent in Charge of the geographic region in which the fraud or abuse occurred, as follows:

CENTRAL REGION

Special Agent in Charge, Central Region
OPM-OIG
J. Gordon Shanklin Bldg-WCC3
One Justice Way
Dallas, TX 75220

(Geographic Territory of Central Region: Texas, Louisiana, Mississippi, Southern District of Alabama, Arkansas, Oklahoma, Kansas, Nebraska, Iowa, South Dakota, North Dakota, and Minnesota)

NORTHEAST REGION

Special Agent in Charge, Northeast Region
OPM-OIG
1900 E Street NW, Room 6400
Washington, DC 20415

(Geographic Territory of Northeast Region: Washington, DC and Northern Virginia, Maryland, West Virginia, Ohio, Pennsylvania, Delaware, New Jersey, Rhode Island, New York, Connecticut, Massachusetts, New Hampshire, Vermont, Maine, Indiana, Illinois, Wisconsin, and Michigan)

SOUTHEAST REGION

Special Agent in Charge, Southeast Region
OPM-OIG c/o HHS-OIG OI
61 Forsyth Street, SW, Suite 5T18
Atlanta, GA 30303

(Geographic Territory of Southeast Region: Florida, Georgia, Northern and Central Districts of Alabama, South Carolina, North Carolina, Tennessee, Kentucky, Missouri, and portions of Virginia outside the DC metropolitan area.)

WESTERN REGION

Special Agent in Charge, Western Region
OPM-OIG
50 Woodside Plaza, Suite 110
Redwood City, CA 94061

(Geographic Territory of Western Region: California, Oregon, Washington, Idaho, Montana, Wyoming, Nevada, Utah, Colorado, Arizona, and New Mexico.)

Any questions regarding appropriate geographic jurisdiction or OPM-OIG policy may be addressed to:

Special Agent in Charge, Regional Operations
Office of the Inspector General, Office of Personnel Management
11712 Jefferson Avenue, Suite C-433
Newport News, VA 23606

Or

Special Agent in Charge, Headquarters Operations
Office of the Inspector General, Office of Personnel Management
1900 E Street NW, Room 6400
Washington, DC 20415

Sincerely,

Robert F. Danbeck
Associate Director
for Human Resources Products and Services

Enclosure