

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Conducting Investigations

HCCA Regional Conference  
December 1, 2017

- Tamara Neiman, Director, National Special Investigations Unit
- Dan Falzon, Investigations Manager, National Special Investigations Unit

Kaiser Permanente, National Compliance, Ethics & Integrity Office (NCO)

2 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Objectives

- Planning and working an investigation.
- Interviewing protocol and techniques.
- Closing an investigation and writing a report.
- Considering corrective actions.
- Referring a case to law enforcement.

3 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Kaiser Permanente Across the Nation

11.8 million Members	44.7 million Doctor's Office Visits	78.3 million Prescriptions Filled
Serving 8 states and D.C.	38 Hospitals	670+ Medical Offices and other facilities
21,275+ Physicians	54K Nurses	201K Employees

4

---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

### Issues Investigated

- Fraud, waste, and abuse allegations.
- Pharmacy theft and drug diversion.
- Member fraud.
- Identity theft.
- Health care and claims fraud.
- Privacy and computer fraud.
- Cash and check fraud.
- Embezzlement.
- Vendor fraud.
- Kickbacks.
- Major crimes.



5 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---

---

---

---



### Planning and Working an Investigation

6 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

### Investigations

"If you don't know where you are going, you might wind up someplace else."  
*Yogi Berra*

- Assess the scope and nature of a potential problem.
- Determine appropriate corrective actions.
- Meet legal and compliance obligations.
- Prepare to defend the organization's actions.
- Realize the purpose, scope, and context of investigations may vary, but require a similar skill set.



7 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---

---

---

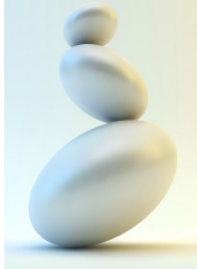
---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue


### Investigative Objectives

- Thorough, timely and objective.
  - Full and fair, with no rush to judgement.
- Maintain confidentiality.
- Avoid creating new claims.
- Ensure witnesses, documents, and physical evidence will objectively support action(s) taken.
- Provide findings and facts.

"Fairness is not an attitude. It's a professional skill that must be developed and exercised."  
*Brit Hume*



8 Proprietary and confidential. Do not distribute without permission.




---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

### Full and Fair Investigations

- Declare any conflict which might be raised.
- Assess if you are the right person to investigate.
- Maintain an open mind and professional demeanor.



9 Proprietary and confidential. Do not distribute without permission.




---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

### Investigative Process

**Who?**

- Who is the subject?
- Who are the witnesses?
- Who should be involved?
  - Human resources?
  - Legal?

**Why?**

- Why did incident occur?
- Why was this reported?

**What?**

- What is the allegation(s)?
- What policy, procedure, or law was violated?
- What happened?

**Where?**

- Where did allegation occur?
- Where is subject or witnesses located?
- Where were interviews held?


**When?**

- When did this allegation occur?
- When were interviews conducted and/or documents obtained?

**How?**

- How did violation and/or incident occur?
- How did the activity occur?

10 Proprietary and confidential. Do not distribute without permission.




---

---

---

---

---

---

---

---

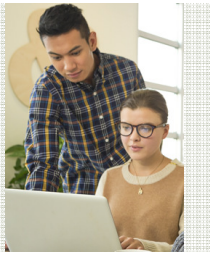
---

---


**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Initiating an Investigation Plan

- Review the allegation or complaint.
  - Is the allegation clear in the complaint?
  - Does this lead to other allegations?
  - Are others already conducting an investigation for a related subject?
- Who should be on the investigation team?
- Who should be involved or notified?
  - Human resources, labor relations, security, legal, compliance?



11 Proprietary and confidential. Do not distribute without permission.




---

---

---

---

---

---

---

---

---

---


---

---


**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Things to Consider

- Management's role.
- Elements of prove.
- Reporting requirements.
- Criminal implications.



12 Proprietary and confidential. Do not distribute without permission.




---

---

---

---

---

---

---

---

---

---


---

---


**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Things to Consider

- Potential witnesses.
  - Employees, physicians, patients, vendors, or other third parties.
- Interviews.
  - Questions and plan.
  - Who should conduct the interview?
  - Who should be present?



13 Proprietary and confidential. Do not distribute without permission.




---

---

---

---

---

---

---

---

---

---


---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Evidence Collection and Review

- Policies and procedures.
- Conduct rules.
- Performance evaluations.
- Attendance records.
- Previous issues.
- Medical records
- Email and electronic records.
- Invoices, receipts, and expense claims.



14 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Additional Considerations

**Relevant Documents**

- Include electronic records and data.

**Surveillance**

- Are cameras in the area?

**Photos**

- Should photographs be taken?
- Should diagrams be created?

15 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Investigative Process



16 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---

---

---


---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

---

## Confidentiality

- HIPAA and state laws require protected health information (PHI), electronic health records (EHRs), and personally identifiable information (PII) to be maintained confidentially.
- Limited exceptions for disclosure.
  - Union grievances.
  - Law enforcement.
- Confidential information should be removed whenever possible.
- Comply with minimum necessary requirements.
- Handle documents in a confidential manner.
- PHI, EHRs, and PII disclosed to a third party must be logged and tracked.
- Seek guidance before disclosing PHI, EHRs, and PII.

17 Proprietary and confidential. Do not distribute without permission. 

---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue


---

## Health Information Privacy

The Privacy Rule is balanced so that it permits the disclosure of health information needed for patient care and other important purposes.

The Security Rule specifies a series of administrative, physical, and technical safeguards for covered entities and their business associates to use to assure the confidentiality, integrity, and availability of electronic protected health information.

<http://www.hhs.gov/ocr/privacy/hipaa/understanding/index.html>

18 Proprietary and confidential. Do not distribute without permission. 

---

---

---

---

---

---

---

---

---

---



**Interviewing Protocol and Techniques**

19 Proprietary and confidential. Do not distribute without permission. 

---

---

---

---

---

---

---

---

---


---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Interview vs. Interrogation

The purpose of an **interview** is to question an individual believed to have information of interest concerning a particular matter.

The purpose of an **interrogation** is to question an individual, that for a variety of reasons, may be either withholding information or being untruthful concerning a particular matter.

20 Proprietary and confidential. Do not distribute without permission. 

---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Interview vs. Interrogation

**Which is which?**  
*Interview vs. interrogation.*

- Non-confrontational.
- Confrontational.
- One-way conversation.
- Two-way conversation.
- Low stress.
- Admissions and confessions.
- Used for witness and victim.
- High-level planning.
- Used for non-cooperative subjects.

**Characteristics of an interview.**

- Non-confrontational.
- Two-way conversation.
- Low stress.
- Used for witness and victim.

**Characteristics of an interrogation.**

- Confrontational.
- One-way conversation.
- High-level planning.
- Admissions and confessions.
- Used for non-cooperative subjects.

21 Proprietary and confidential. Do not distribute without permission. 

---

---

---

---

---

---

---

---


---


---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Interview Protocol

- The goal is to conduct a neutral, fair, and thorough investigation.
  - All subjects, witnesses, and victims.
  - Obtain factual information.
- Uncooperative subjects may require some interrogation techniques.
- Witness and victim interviews should be non-accusatory and used for information gathering.
- Subject interviews should be structured and private.



22 Proprietary and confidential. Do not distribute without permission. 

---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Investigations

Who is in the interview?

- Limit people in the room.
- Include human resources and legal representatives.
- Represented employees must be advised that they're allowed representation.
- Immediate supervisor should not be present.

What is the best interview environment?

- Ensure privacy.
- Avoid distractions.
- Allow enough time.



23 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## During the Interview

Be a good listener.

- Pay close attention and make eye contact.
- Don't interrupt and let the subject finish their thoughts.

Build a rapport.


- Show compassion.
- Don't reveal signs of your own personal beliefs.
- Don't yell, curse at, or alienate the subject.

Put the subject at ease.

- Display pleasant emotional responses.

Let the subject know you're paying attention.

**Don't jump to conclusions.**



24 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---


---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Note Taking

It is best to listen, but good interview notes are important.

- Recommend co-interview.
- Human resources or compliance contact takes notes.
- Prepare your interview report immediately after conclusion.



25 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---


---



**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Preserving Statements

- Take notes, but listen and watch interviewee.
- Include relevant documents or emails.
- Seek a signed handwritten or typed statement.
- Use quotation marks only when certain the quote is accurate.
- Take legible notes.
- Recommend notes be transferred to a written interview report.
- Ensure notes are signed and dated.



26 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---


---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Follow Up Interviews

- Re-interview witnesses, as necessary.
- Conduct new or additional interviews.
- Follow up with any witnesses named by the subject.



27 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---


---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue



## Closing Investigations and Writing Reports

28 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---


---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Tell the Story

- Get all the facts.
- Keep it simple.
- Explain acronyms.
- Cite the information source.
- List facts in chronological order.



29 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

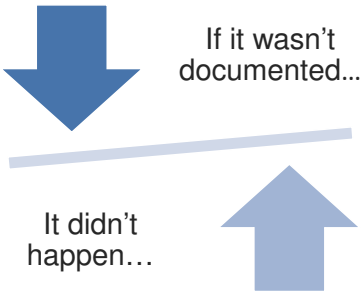
---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue



30 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Quality Reports

- The best investigation
  - Is only as "good" as the written report.
- A quality report
  - Is an effective report.
    - Complete.
    - Clear.
    - Concise.
    - Accurate.



31 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---


---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Report Facts, Not Opinions

- Facts versus opinions
  - Opinion: Jack Sparrow is a crook and a thief.
  - Fact: Jack Sparrow perpetrated a vendor invoice fraud scam that resulted in an \$8.2M loss to the company.
- Make sure
  - To cite the source of your information.
    - The suspect entered the hospital storeroom at 2311 hours.
    - The suspect **said** she entered the hospital storeroom at **approximately** 2311 hours.

32 Proprietary and confidential. Do not distribute without permission.

 KAISER PERMANENTE.

---

---

---

---

---

---

---

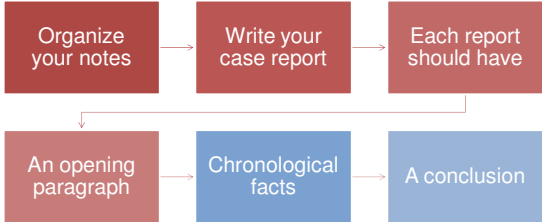
---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue


## Writing a Case Report



```

graph LR
  A[Organize your notes] --> B[Write your case report]
  B --> C[Each report should have]
  C --> D[An opening paragraph]
  D --> E[Chronological facts]
  E --> F[A conclusion]
  
```

33 Proprietary and confidential. Do not distribute without permission.

 KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---


---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

## Finalizing the Report

- Don't cut corners!
  - Did you include all the pertinent case information?
  - Have you forgotten anything?
- Attach referenced documents.
  - Consider reporting templates.
- Prior to submitting your report.
  - Check for clarity and accuracy.
  - Ask for feedback.
  - Proofread.
- Consult with your legal team or other experienced investigators with questions.

34 Proprietary and confidential. Do not distribute without permission.

 KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

### Case Documentation – Rationale

**General**  
Cases may undergo

- Civil or criminal litigation.
- Regulatory auditing.

**Grammar & Syntax**  
Case files should be free of:

- Fragmented sentences.
- Tense errors.
- Plurality errors.
- Possessive errors.

**Details, Details, Details**

- Critical for proof of evidence acquired.
- Actions taken.

**Case Documentation**

- Concise and comprehensive.
- Free of unnecessary words.
- Objective, clear, and factual.
- Organized and structured.

35 Proprietary and confidential. Do not distribute without permission.

---

---

---

---

---

---

---

---


---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue



### Corrective Actions

36 Proprietary and confidential. Do not distribute without permission.

---

---

---

---

---

---

---

---

---

---


---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

### Corrective Actions

- If the allegation is substantiated, disseminate the report for implementation of corrective actions.
- If the investigation was worked under attorney privilege, forward the summary to legal.
- If allegation involves an employee, provide investigative summary to human resources.



37 Proprietary and confidential. Do not distribute without permission.

---

---

---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

---

## Corrective Actions to Consider

**Initial Triage and Outside Regulatory Reporting:** Ensure adequate initial triage on subject information to applicable outside regulatory reporting.

**Public Data Base Work-Up:** Conduct public database searches to confirm identity.

**Forensic Work-Up:** Conduct internal forensic review to identify like commonalities.

**Pharmacy Alerts:** Upon satisfactory identification of all known or possible medical record numbers used, initiate alerts for drug seeking behavior.

---

38 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

---

## Additional Corrective Actions to Consider

**Internal Patient Health System Fraud Alerts.**

**Patient Financial Services:** Coordinate identified outstanding debt with Patient Financial Services and applicable outside collection agencies.

**Medical Record Number Merge and Chart Accuracy Notifications.**

**Drug Caution List Notifications:** Review with Pharmacy & Therapeutics Committee Chief for Drug Caution List consideration.

**Fraud Alert Flyer Dissemination and EMTALA.**

**Member Services for Membership Termination for Cause Review.**

---

39 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

---


## Fraud Alert Flyer

**CONFIDENTIAL FRAUD ALERT!**  
NOT FOR PUBLIC VIEWING

TM 2015-2020 (EPOW) & TM 2014-2100 (C)WMS

The National Fraud Control Center (NFCC) is a non-profit organization that works to protect and educate consumers about fraud. We are currently conducting an investigation into a suspected fraud involving a member of Kaiser Permanente. This information is being shared with you for your awareness and to help you identify and avoid any potential fraud. Please do not share this information with anyone else. This information is confidential and is intended for your eyes only. If you have any questions, please contact the NFCC at 1-800-452-3242 or visit our website at www.nfcc.org. Subject is involved in Med/CA within Blue Cross New Mexico.

Subject's personal information has been provided within WEPs, and member updates through the Blue Cross New Mexico website. Information is being shared with you for your awareness and to help you identify and avoid any potential fraud. Please do not share this information with anyone else. This information is confidential and is intended for your eyes only. If you have any questions, please contact the NFCC at 1-800-452-3242 or visit our website at www.nfcc.org. Subject is involved in Med/CA within Blue Cross New Mexico.



IF SUBJECT PROVIDES CLEAR AND VERIFIABLE IDENTIFICATION TO ANY OF OUR SERVICE PROVIDERS, PLEASE ADVISE THE SERVICE PROVIDER OF THE FRAUD ALERT AND THE SUBJECT'S IDENTIFICATION. THE SERVICE PROVIDER SHOULD BE ALERT TO ANY POTENTIAL FRAUD AND REPORT IT TO THE APPROPRIATE AUTHORITIES. THIS INFORMATION IS CONFIDENTIAL AND IS INTENDED FOR YOUR EYES ONLY. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE NFCC AT 1-800-452-3242 OR VISIT OUR WEBSITE AT WWW.NFCC.ORG. SUBJECT IS INVOLVED IN MED/CA WITHIN BLUE CROSS NEW MEXICO.

Any contacts with Subject or requests for information should be directed to:

National Fraud Control Center  
1100 North Main Street, Suite 100  
Denver, CO 80202  
1-800-452-3242  
www.nfcc.org

**CONFIDENTIAL FRAUD ALERT!**  
**PLEASE POST IN AREA ACCESSIBLE TO PUBLIC VIEWING**

---

40 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---


---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue



**Law Enforcement Referrals**

41 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

**When to Make a Law Enforcement Referral**

- Violation of criminal statute.
- Clear evidence to support criminal violation.
- Prosecutive interest (egregiousness of violation).
- Internal leadership support.
- Mandatory referral considerations.



42 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

**Which Law Enforcement Agency Should You Contact**

- Statute violated (state or federal).
- Location of criminal act(s).
- Relationships.
- Geographic considerations.



43 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

### Law Enforcement Referral Template

CASE INFORMATION		WITNESS LIST	
Case Number	Agency	Name Title and Contact Information	Category of this particular problem
OFFENSE NO.			
DATE OF OFFENSE			
VICTIM	Kaiser Permanente Health Plan Inc.		
CODE			
RECORDED			
INDEXED			
DATE OF REPORT			
SUSPECT INFORMATION			
NAME			
DATE OF BIRTH			
ADDRESS			
TELEPHONE NUMBER			
PHYSICAL DESCRIPTION			
SOCIAL SECURITY NUMBER			
DRIVER'S LICENSE NUMBER			
EMPLOYMENT			
ARMED WEAPON			
OTHER			
INVESTIGATOR		SUPERVISOR	
INVESTIGATOR SIGNATURE		SUPERVISOR SIGNATURE	
DATE		DATE	

44 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---

---

---

---

**National Fraud Control Program**  
Protecting Kaiser Permanente Assets and Revenue

45 Proprietary and confidential. Do not distribute without permission. KAISER PERMANENTE.

---

---

---

---

---

---

---

---

---

---

---

---