

# MEDICAID FRAUD CONTROL UNIT

## WHAT IS MEDICAID?

Medicaid is a federal/state cost-sharing program that provides health care to people who are unable to pay for such care. The Texas Medicaid program is run by the Texas Health and Human Services Commission.

There are more than 2.7 million Texans eligible for Medicaid, and more than 90,000 active Medicaid providers. A provider is any person, group of people, or health care facility that supplies medical services to Medicaid recipients. Providers can be doctors, podiatrists, dentists, licensed professional counselors, hospitals, adult day care centers, nursing homes, clinics, pharmacies, ambulance companies, case management centers and others.

## MEDICAID FRAUD DRIVES UP THE COST OF HEALTH CARE FOR ALL OF US.

We each have a moral responsibility and a legal duty under Texas law, to report fraud. The Attorney General's Medicaid Fraud Control Unit stands ready to investigate these allegations and bring perpetrators to justice.

## MEDICAID FRAUD CONTROL UNIT

The Texas Medicaid Fraud Control Unit was created in 1979 as a division of the Office of the Attorney General. The Unit has three principal responsibilities:

- investigating criminal fraud by Medicaid providers;
- investigating physical abuse and criminal neglect of patients in health care facilities licensed by the Medicaid program, including nursing homes and Texas Department of Aging and Disability Services homes;
- assisting local and federal authorities with prosecution.

The Unit does not look into fraud committed by Medicaid recipients. The Texas Health and Human Services Commission Office of Inspector General is responsible for those investigations.

## FRAUD IN THE MEDICAID PROGRAM

These are examples of fraud investigated by the Medicaid Fraud Control Unit:

- billing Medicaid for X-rays, blood tests and other procedures that were never performed, or falsifying a patient's diagnosis to justify unnecessary tests;
- giving a patient a generic drug and billing for the name-brand version of the medication;
- giving a patient over-the-counter drugs or goods and billing for the prescription drug;
- billing Medicaid for care not given, for care given to patients who have died or who are



- no longer eligible, or for care given to patients who have transferred to another facility;
- transporting Medicaid patients by ambulance when it is not medically necessary;
- requiring vendors to “kick back” part of the money they receive for rendering services to Medicaid patients (kickbacks may also include vacations, merchandise, etc.);
- billing patients for services already paid for by Medicaid.

Activities of this nature may violate federal and state criminal laws which may result in significant fines and incarceration. Those convicted of fraud may also lose their status as Medicaid providers and have their professional licenses revoked.

## **ABUSE OF MEDICAID PATIENTS**

It is a sad fact that too many Medicaid patients, especially the elderly, are physically abused or neglected by some health care providers. In many cases, an abused person is totally dependent on the abuser and is afraid to complain. These are some of the warning signs of physical abuse, sexual abuse and criminal neglect:

- cuts, black eyes, bruises and burns, especially when the caregiver cannot adequately explain how they happened (burns or bruises in an unusual pattern may indicate the use of cigarettes, instruments or similar items);
- patients fear being alone with caregivers;
- reports of physical abuse such as slapping, hitting, kicking, and biting, or of sexual abuse;
- physical signs of sexually transmitted diseases or of injury to the genital area;
- difficulty sitting or walking;
- pregnancy.

Drug diversion is another form of abuse, since it deprives the patient of proper medication. It may also defraud the Medicaid system. Drug diversion includes:

- a health care worker throwing away a patient’s medication, selling it, or keeping it for him/herself;
- a doctor selling prescriptions;
- a nurse ordering medication for patients without a doctor’s approval.

## **REPORTING SUSPECTED FRAUD AND ABUSE**

If you have reason to believe that someone is defrauding the Medicaid program or is abusing a Medicaid recipient, contact the Medicaid Fraud Control Unit headquarters in Austin or one of the field offices listed below.

## **FAILURE TO REPORT MAY BE A CRIMINAL OFFENSE**

If you own or work in a nursing home or other facility and believe that a resident has been or may be the victim of abuse or neglect, you must report it.

You can report the abuse or neglect to the Texas Department of Aging and Disability Services by calling (800) 458-9858. You can also contact a local or state law enforcement agency.

Failure to report suspected abuse or neglect is a Class A Misdemeanor. Texas Health & Safety Code Section 242.122.

## **CONTACT INFORMATION**

### **BY US MAIL**

Office of the Attorney General  
 Medicaid Fraud Control Unit  
 P. O. Box 12307  
 Austin, Texas 78711-2307

### **BY E-MAIL**

[mfcu@oag.state.tx.us](mailto:mfcu@oag.state.tx.us)

### **BY TELEPHONE**

Medicaid Fraud Control Unit: (512) 463-2011  
 Main agency switchboard: (512) 463-2100  
 Toll Free: (800) 252-8011

### **ON THE INTERNET**

[www.oag.state.tx.us](http://www.oag.state.tx.us)

### **FIELD OFFICES**

Corpus Christi: (361) 851-8440  
 Dallas: (214) 922-7046  
 El Paso: (915) 881-2100  
 Houston: (713) 225-0691  
 Lubbock: (806) 765-6367  
 McAllen: (956) 683-7095 ext.101  
 San Antonio: (210) 653-9001  
 Tyler: (903) 593-4644

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