

Fighting fraud in healthcare and social security

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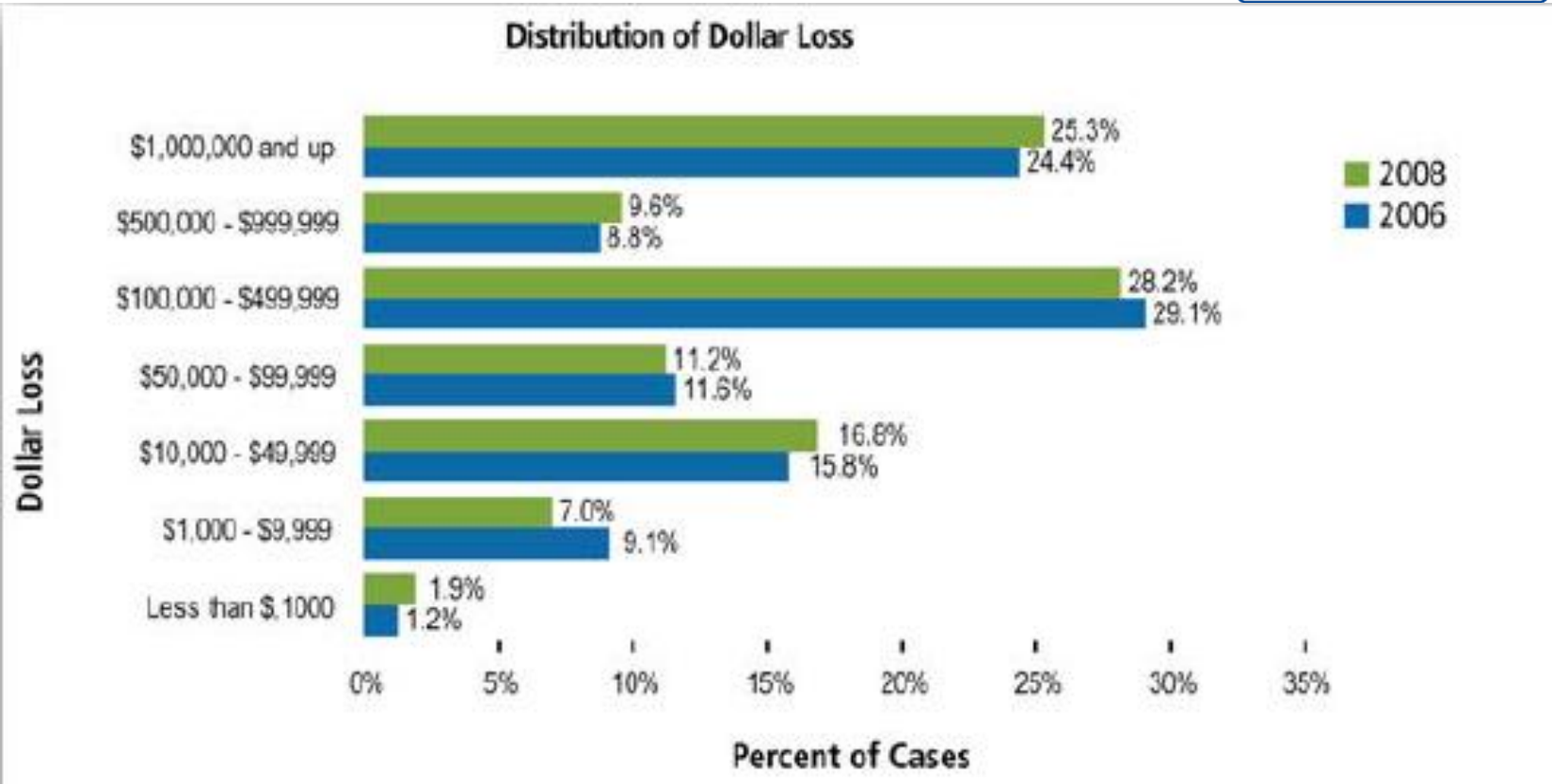
INTRODUCTION

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Association of Certified Fraud Examiners stated in *2008 Report to the Nation on Occupational Fraud and Abuse*

The ACFE 2008 report estimates that a typical organization loses seven percent of its annual revenues as a result of occupational fraud and abuse. To illustrate the potential enormity of typical fraud loss, ACFE applied the seven percent figure to the estimated 2008 United States Gross Domestic Product — translating to about US \$994 billion in fraud losses.



Source: 2008 Report to the Nation on Occupational Fraud and Abuse, Association of Certified Fraud Examiners

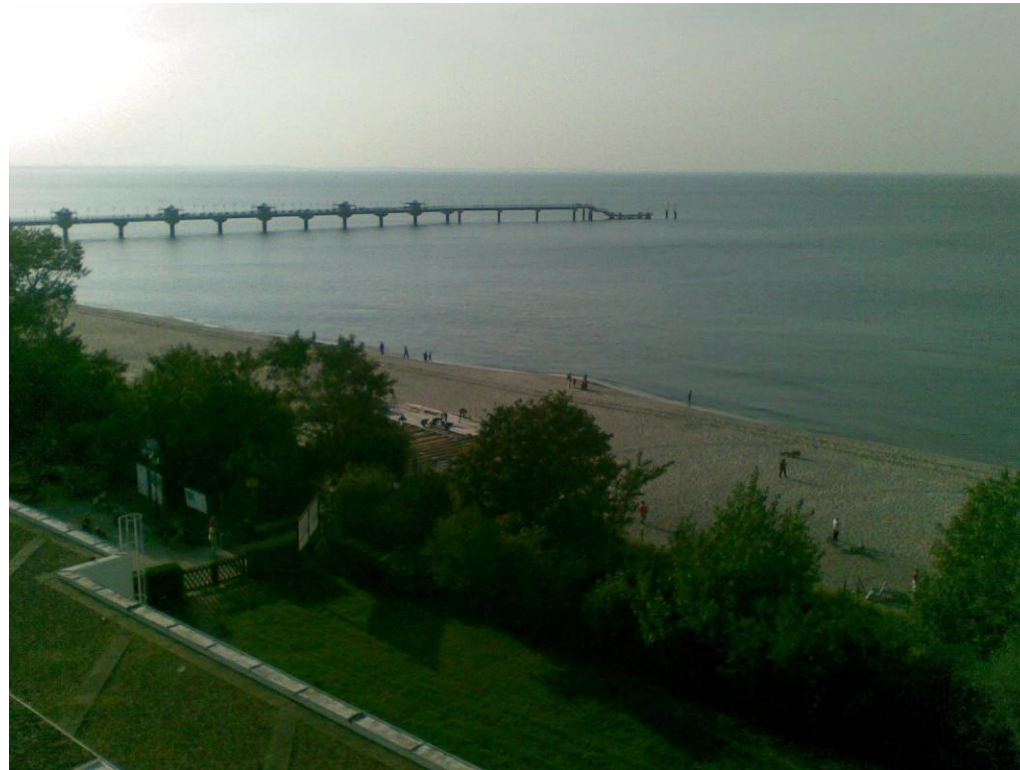
Diagram 1: Distribution of Dollar Losses

WHERE WE ARE IN POLAND

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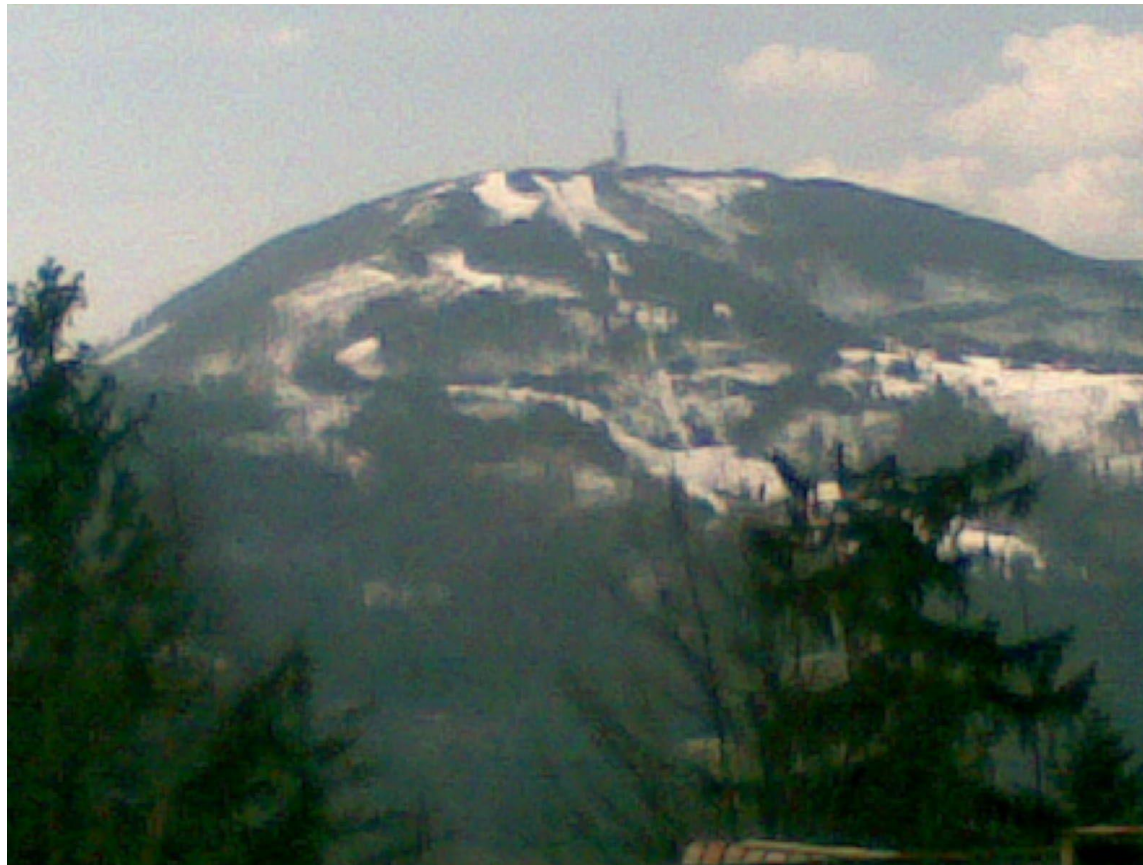
Landscape of Poland 1



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Landscape of Poland 2



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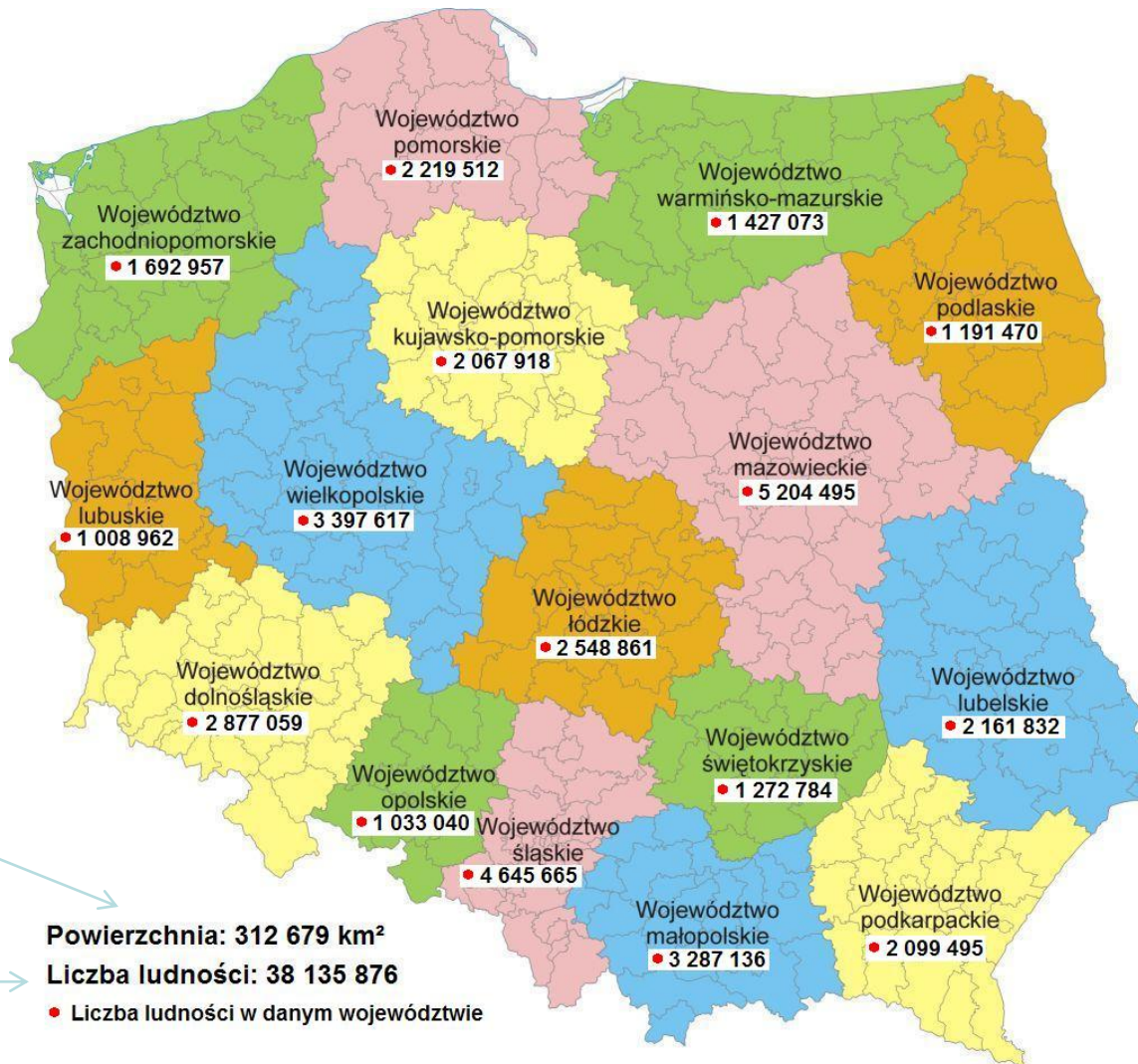
Landscape 3



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POLAND – some facts



Area

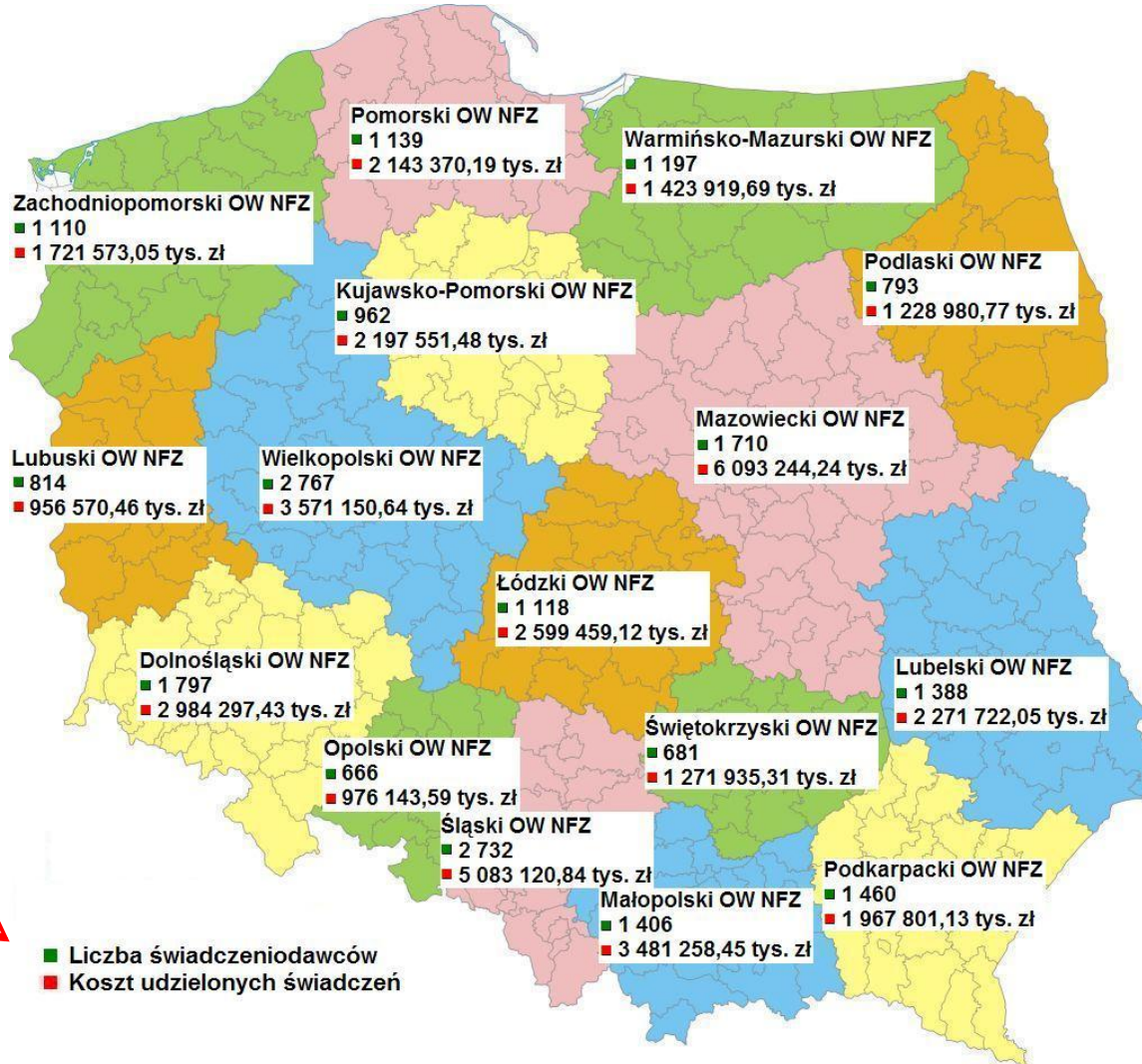
Number of
citizen

Powierzchnia: 312 679 km²

Liczba ludności: 38 135 876

• Liczba ludności w danym województwie

POLAND – some facts

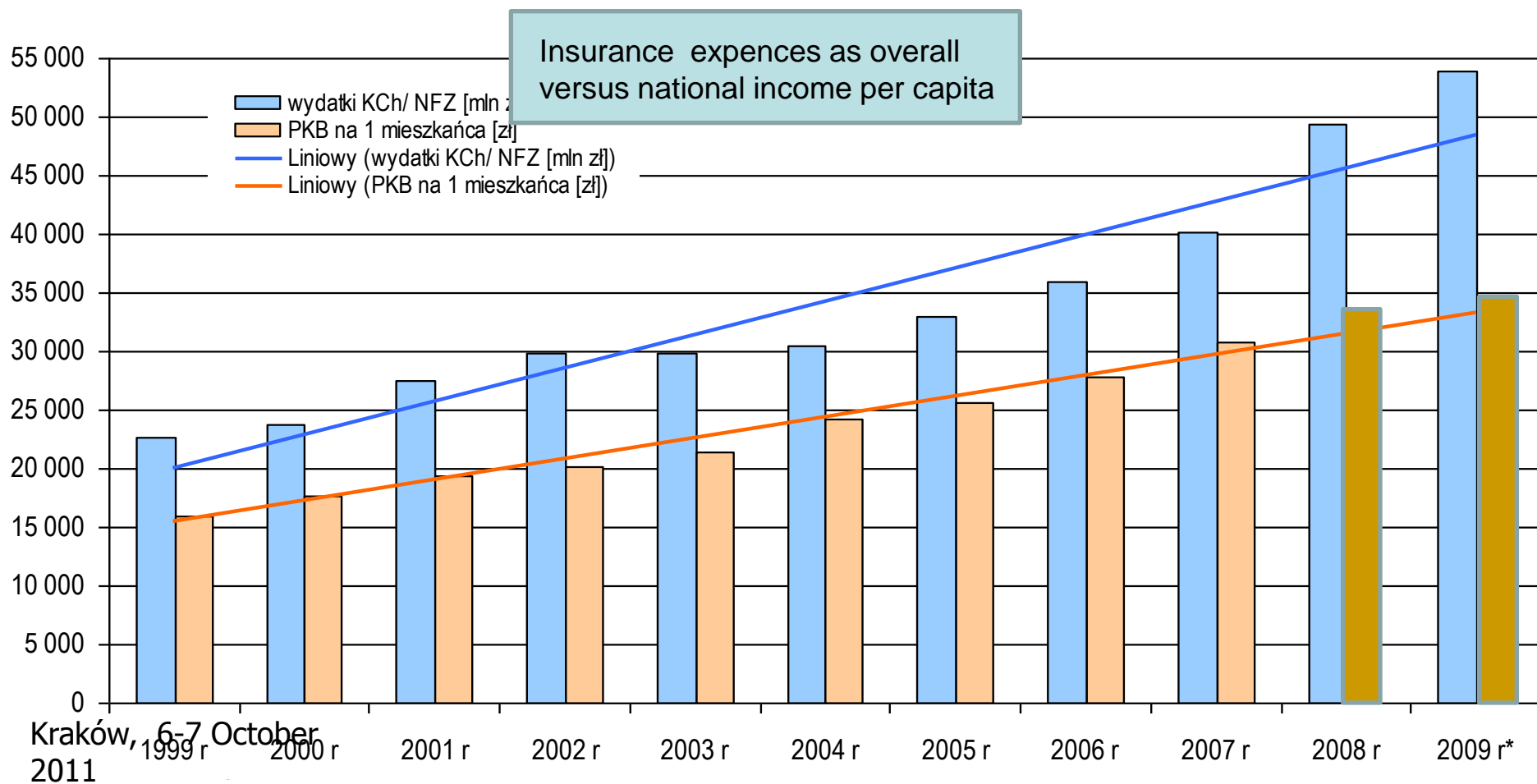


Number of medical units

Refund cost of medical treatments

■ Liczba świadczeniodawców
■ Koszt udzielonych świadczeń

National income versus expenditure for medical services



How big is fraud volume in medical insurance in Poland?

- Lack of trustable statistics, there are rather guess than mathematically proven results
- Estimation based on worldwide experience- 5 to 10 % dissapered
- Only top of iceberg is visible
- Weakness of process chain, however some spectacular success had been achieved

Status of NFZ

Till now

National Health Fund

is a single obligatory

insurer

acting in whole country

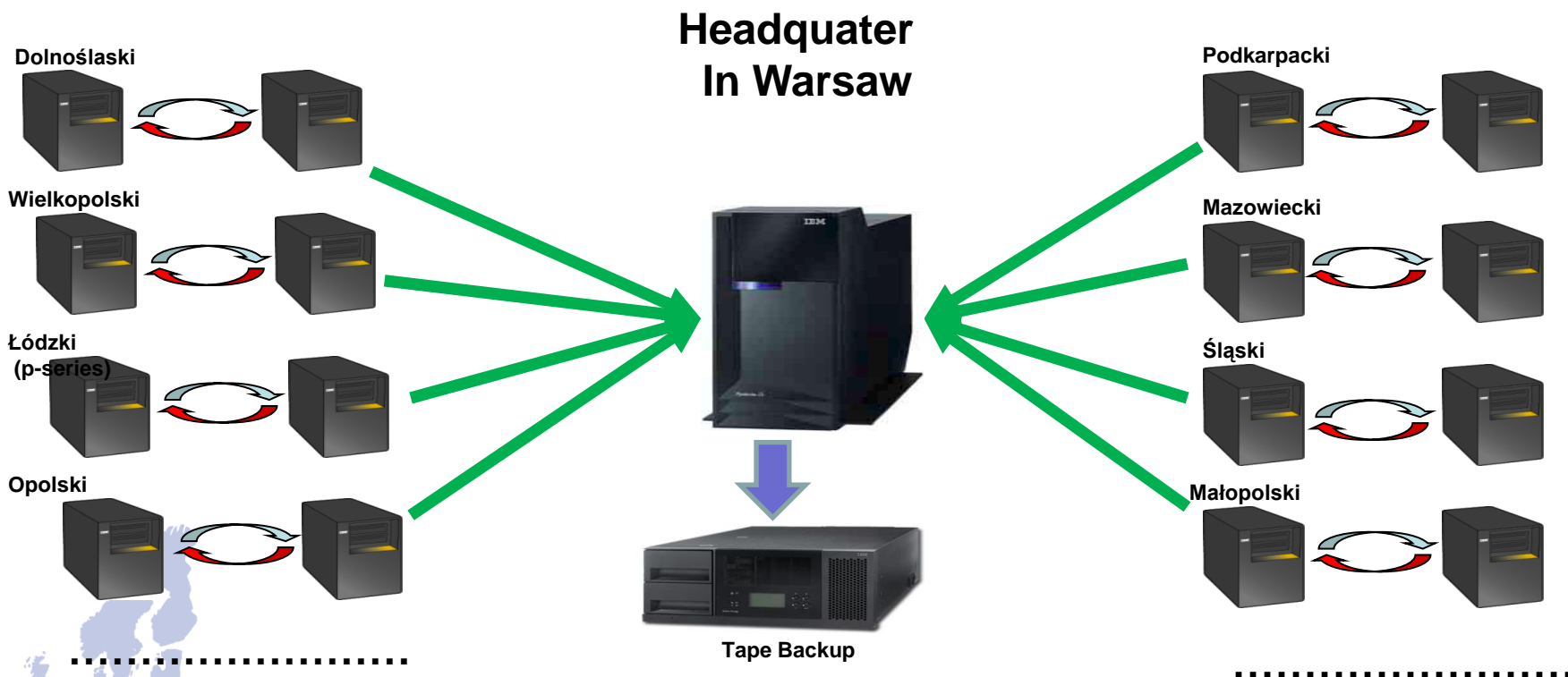
How we are organised ?

16 branches

located in regional capital

Headquarter in Warsaw

What we have in IT Infrastructure



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8 branches on HP Platform
8 branches on IBM Platform

What was done

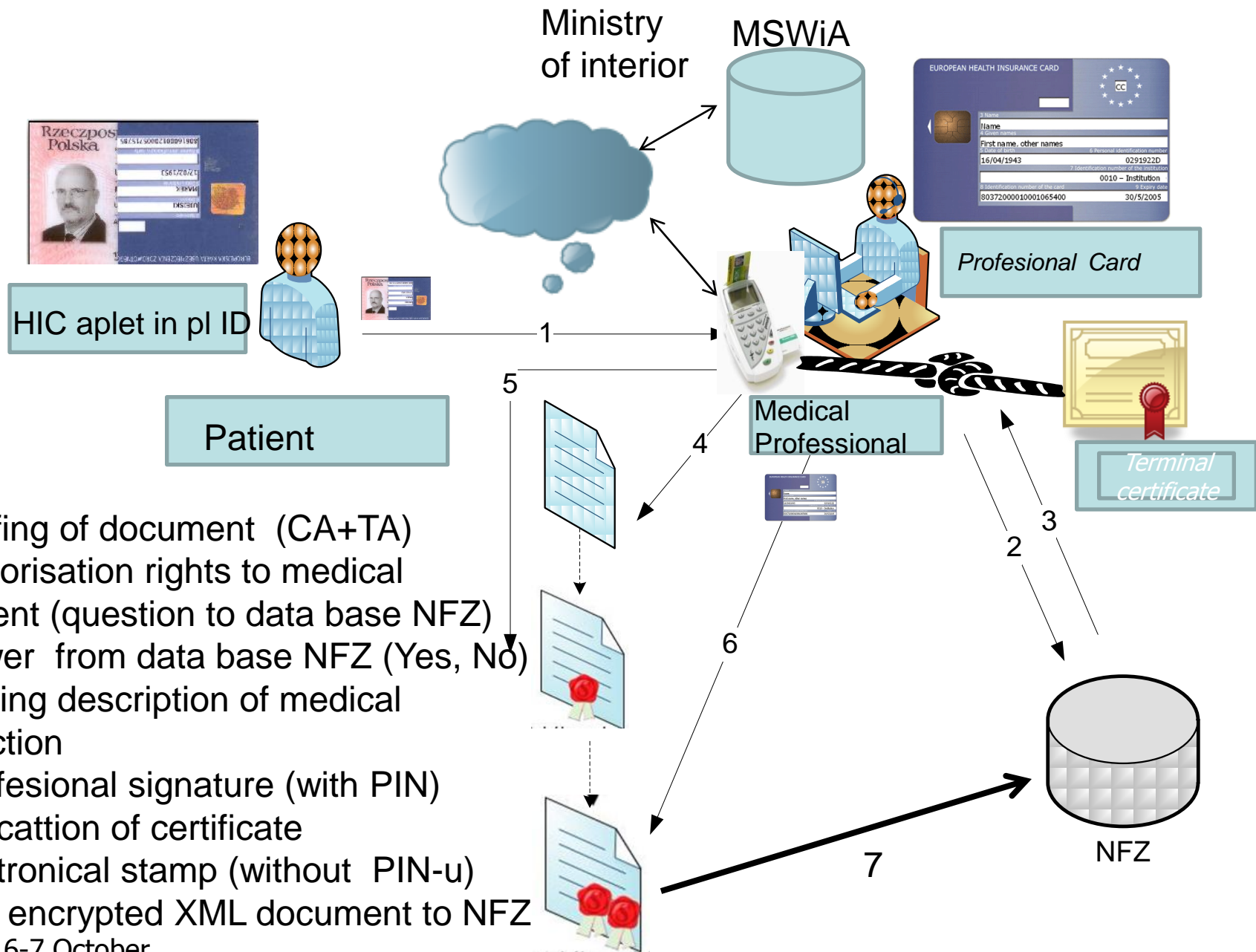
Data exchange and verification

- All data between NFZ and medical unit are exchanged via XML structure data
- Data are verified and validated, however...
- ...not digitaly signed
- No evidence that reported medical treatment has occur (lack of data non-repudation)
- Statistics are used for finding corelation between different objects and behavior
- Only headquarters is able to find cross country corelation
- Hudge size of data volumen is a challenge
- Scheme of fraud is constantly changed (Continuous evolution of newer fraud schemes to bypass existing detection techniques)
- NFZ has 5 years for verification

How to build good system (by CPW)

- **Build a profile of potential frauds.**
- **Test transactional data for possible indicators of fraud.** A complete testing program should include ad hoc or random testing in addition to more formalized or regular tests. The spectrum of automated testing ranges from ad hoc through to repetitive through to continuous.
- **Look for newer fraud mechanism based on different statistic tools**
- **Improve controls by implementing continuous auditing and monitoring.** Strengthen controls over transaction authorizations and use continuous auditing and monitoring to test and validate the effectiveness of your controls.
- **Review information from data testing and continuous auditing and monitoring.** Investigate patterns and fraud indicators that emerge from the fraud detection tests and continuous auditing and monitoring.
- **Repeat the steps.** This process of building a profile, testing data, improving controls and reviewing information needs to be repeated on a regular basis.
- **Response.** Create written reports with recommendations on how to tighten controls or change processes to reduce the likelihood of recurrence.

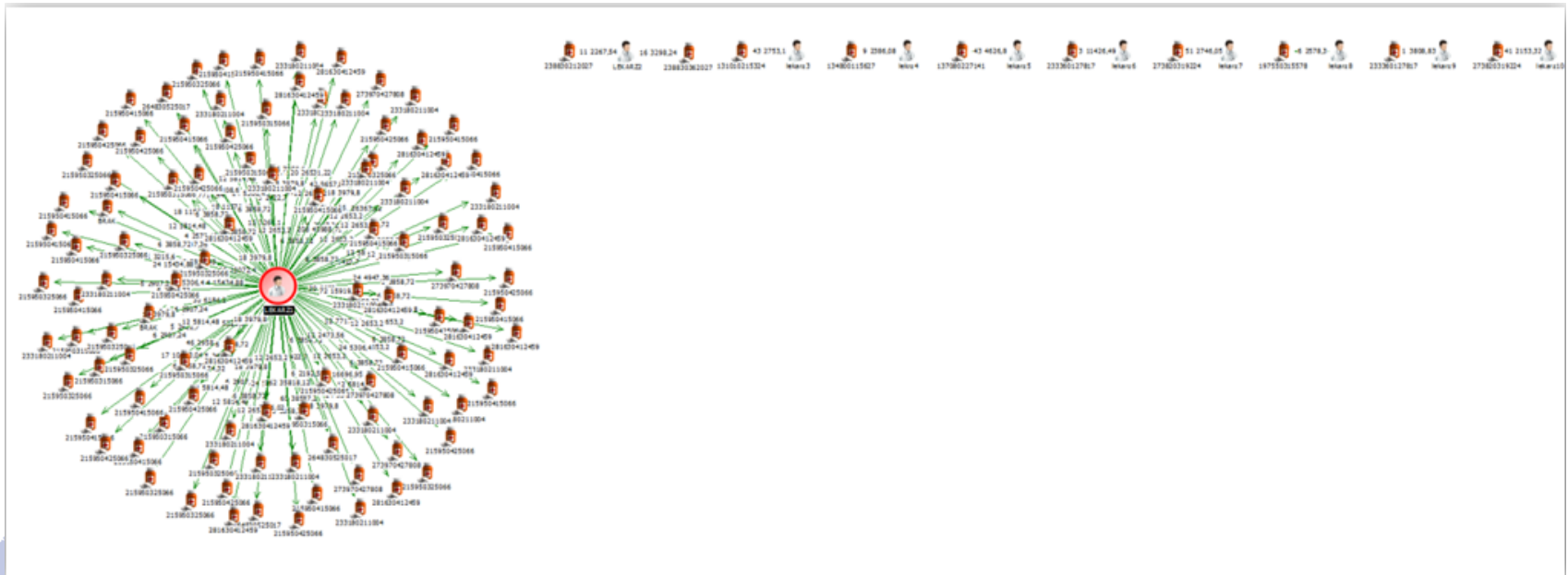




- 1- Verifying of document (CA+TA)
- 2- authorisation rights to medical treatment (question to data base NFZ)
- 3- answer from data base NFZ (Yes, No)
- 4- creating description of medical transaction
- 5- Professional signature (with PIN)
- 6- verification of certificate
- 7- electronic stamp (without PIN-u)
- 8- send encrypted XML document to NFZ

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TOOLS-AN EXAMPLE



SUMMARY

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**Thank you for
attention!**

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Questions ?

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