

Commercial Insurers' Fraudulent Alteration of Electronic Claim Medical Records

Patient Records Altered to Promote Litigation and Increase Profits

Problem: Commercial insurers altering electronic medical claims data in violation of HIPAA, the False Claims Act, and the Social Security Act to facilitate litigation to increase profits.

How: Altering patients' electronic medical claims data to imply that rural hospitals have submitted fraudulent claims and presenting this data to grand juries, the government, and multiple federal courts as legitimate business records under penalty of perjury.

Why: Commercial insurers drafted contracts with rural hospitals that the insurers later found unfavorable. Rather than address these matters as contract disputes, the insurers chose litigation, leveraged the government, and clawed back funds to increase profits.

Impact: Tens of thousands of patients may have unknowingly had their electronic medical claim records altered, potentially resulting in denials of future coverage, increased premiums, and related adverse consequences.

Specific statutes violated: Patient data was altered in violation of the following:

- **HIPAA 45 CFR 162.195 (b)** by adding data in the patients' Place of Service field
- **Social Security Act Section 1833 (q)** by deleting data in the patients' Attending Provider fields
- **False Claims Act 31 U.S.C. 3729-3733** by altering accurate data to promote their prosecutorial efforts

Solutions: (1) Investigation of commercial insurers' false claims to increase profits with accountability for organizations and individuals responsible, and (2) pass legislation to enforce more stringent laws as related to the handling of patients' electronic medical claims records by insurers.

Contact: Beau Gertz, (303) 877-8789,
BeauGertz@Gmail.com

HOW COMMERCIAL CARRIERS COMMIT FRAUD

1 Carriers & attorneys develop strategy to address unfavorable rural hospital contracts.

2 Carriers & attorneys prepare claims spreadsheets with false patient data and omitted physician data.

3 Carriers & attorneys present false spreadsheets to the government and grand jury to facilitate civil and criminal prosecution.

4 Attorneys ignore subpoenas, hide behind protective orders and leverage billing complexities to avoid discovery of fraud.

5 Carriers & attorneys win large civil & criminal cases, increasing profits and eliminating less profitable rural hospital business.