

April 9, 2014

The Honorable Bill Nelson
Chairman, Special Committee on Aging
United States Senate
716 Senate Hart Office Building
Washington, DC 20510

Dear Senator Nelson,

I write on behalf of Humana Inc. (“Humana”), to express our support for the Stop Schemes and Crimes Against Medicare and Seniors (Stop SCAMS) Act, and the Healthcare Fraud Prevention Partnership (“HFPP”) it is intended to strengthen. Humana is a leading health care company offering a wide range of insurance products and health and wellness services that incorporate an integrated approach to lifelong well-being. We are also one of the country’s largest providers of Medicare Advantage and Medicare Part D benefits, and we place great pride in our partnership with the government to serve some of this country’s most vulnerable populations. We welcomed the federal government’s sponsorship of the HFPP, and we were one of the first private health insurance organizations to join the groundbreaking group in 2012.

The Senate Special Committee on Aging has demonstrated great leadership in promoting the aggressive pursuit of healthcare fraud, with the goals of safeguarding taxpayer dollars, protecting seniors, and improving federal healthcare programs. The HFPP is a powerful tool in that effort, offering an innovative opportunity for collaboration among federal and state agencies (including the Department of Justice, Department of Health and Human Services, and the FBI), private health insurance organizations, and other groups dedicated to fighting healthcare fraud and promoting the long-term stability of federal healthcare programs. Indeed, the HFPP’s mission reflects a recognition that private insurance organizations—like Humana—are better situated than the government in some instances to identify and halt healthcare fraud schemes. Humana embraces its role in this regard and has a long history of voluntarily sharing data and information freely with the government—particularly where potential fraud exists. Humana has been at the forefront of anti-fraud efforts in the Medicare Advantage program since the inception of Medicare Part C.

Many private insurance organizations have cutting-edge anti-fraud measures, and the HFPP’s mission is to leverage their experience and facilitate sharing data and information among private plans and their government partners to prevent and detect fraud and other inappropriate billing practices. For example, many fraudulent healthcare schemes involve billing two or more payers, including Medicare and a private insurer, for the same service. These schemes cannot be readily detected without a system that promotes





data sharing to identify instances of double billing. The HFPP creates an opportunity to bring all stakeholders to the table to collaborate on their shared goal of curbing fraud. Its goals include: sharing information on specific schemes, overused billing codes and geographical fraud hotspots so that both the government enforcement entities and private health plans can take appropriate action to prevent losses; identifying and stopping payments billed to different insurers for care delivered to the same patient on the same day in two different cities; and using sophisticated technology and data analytics to predict and detect health care fraud schemes nationwide. Achieving these goals could save taxpayers billions of dollars.

Though it is counterproductive to penalize health insurers, such as Humana, for acting as the government's partner in detecting fraud, there currently exists a potential lingering threat of civil liability for insurers that share data and information leading to the disclosure of fraudulent billing practices. This threat has a chilling effect for some HFPP members and creates a significant impediment to robust participation in this valuable partnership, which includes state and federal regulators that are also responsible for oversight of these same organizations. The Stop SCAMS Act aims to address this potential chilling effect by creating a safe harbor from civil liability for private insurers that, in good faith, share with the partnership aggregate claims data or information about providers that are being investigated for potential fraud. The safe harbor provision enables private insurance organizations to participate fully in the HFPP without fear of incurring liability as a result of their anti-fraud efforts. We fully support this provision and these goals of the Stop SCAMS Act.

In closing, Humana thanks you for your leadership and your efforts to combat healthcare fraud through the enhancement of the HFPP. We are committed to continue working with you and other key government and private stakeholders to combat fraud and strengthen our federal healthcare programs.

Very truly yours,

A handwritten signature in black ink, appearing to read "Heidi Margulis".

Heidi S. Margulis

