

# Veterans Affairs to Collaborate With HHS on Anti-Fraud Measures

By James Swann

Bloomberg BNA –  
Health Law  
Resource Center™

Reproduced with  
permission from [BNA's  
Health Law Reporter](#),  
27 HLR 150 (January  
25, 2018). Copyright  
2018 by The Bureau  
of National Affairs, Inc.  
(800-372-1033)  
<<http://www.bna.com>>



The Department of Veteran's Affairs will benefit from the health-care anti-fraud technology and best practices of the Medicare agency in a partnership designed to modernize the VA's anti-fraud efforts.

The arrangement was announced Jan. 23 and will allow the Centers for Medicare & Medicaid Services to share data analytics tools with the VA, including the CMS's predictive modeling technologies and data analytics that can identify fraud hot spots and stop payments before they're made.

## Snapshot

- CMS will share healthcare anti-fraud tools with the VA
- Arrangement is designed to improve the VA's fraudfighting skills

"This effort marks another step toward achieving President Trump's 10-point plan to reform the VA by collaborating with our federal partners to improve VA's ability to investigate fraud and wrongdoing in VA programs," VA Secretary David J. Shulkin said in a Jan. 23 statement.

The partnership with the CMS is likely to have a significant impact on the VA's ability to fight fraud and abuse, Louis Saccoccio, chief executive officer of the National Health Care Anti-Fraud Association, told Bloomberg Law Jan. 23.

Because the VA expanded its community care programs to allow veterans to go

outside of the VA for medical care under certain circumstance, it's critical for the VA to share anti-fraud best practices with the CMS since that agency has more experience in handling potential fraud committed by health-care providers, Saccoccio, a Bloomberg Law advisory board member, said.

"Sharing can be done directly and through the Healthcare Fraud Prevention Partnership," Saccoccio said. The HFPP, launched in 2012, includes representatives from the private and public sectors and fosters information sharing between the federal government, state agencies, law enforcement, industry associations, and private insurance plans.

The VA also participates in the NHCAA's private-public partnership, Saccoccio said, where it can learn best practices and share fraud data with private insurers and other federal and state agencies.

The VA Office of Inspector General received \$2.9 million in court ordered fines, penalties, and civil judgments related to fraud cases, according to the agency's most recent semiannual report to Congress. The report, which covered the second half of fiscal year 2017 (April 1, 2017, through Sept. 30, 2017), also said the VA OIG recovered more than \$273,000 from fraud cases.

The CMS and the VA didn't respond to requests for comment on the partnership.

## Avoiding Missteps

Increased anti-fraud collaboration between government agencies like the VA and the CMS will likely increase the government's ability to use data to identify and investigate potential fraud, Danielle Sloane, a health-care attorney with Bass, Berry & Sims in Nashville, Tenn., told Bloomberg Law Jan. 23.

However, any partnerships need to be carefully crafted to give affected providers and suppliers a clear path to address and resolve any potential missteps, Sloane said. "The loss of well-intentioned providers isn't likely to serve the community well in the long run," Sloane said.

Another potential issue for the partnership is addressing any legal limits that exist regarding sharing personal information between the VA and the CMS, Judith Waltz, a health-care attorney with Foley & Lardner LLP in San Francisco, told Bloomberg Law Jan. 23.

For example, Waltz said, the CMS and the Food and Drug Administration had to seek special permission to share data under the Sentinel initiative. The Sentinel initiative allows Medicare Part D claims data to be used for postmarket research, and makes the de-identified data available to the public.

"The amount of data that Medicare and the VA programs have available about health-care claims is mind-bending and in theory should be very useful in the fight against fraud," Waltz said. VA programs already rely on some Medicare policies for coverage and reimbursement purposes, Waltz said, so it makes sense that the two programs would combine their efforts.

To contact the reporter on this story: James Swann in Washington at [jswann1@bloomberglaw.com](mailto:jswann1@bloomberglaw.com)

To contact the editor responsible for this story: Kendra Casey Plank at [kcasey@bloomberglaw.com](mailto:kcasey@bloomberglaw.com)