

Benefits Fraud taken seriously at Sun Life Financial

Recently, the Canadian Broadcasting Corporation (CBC) ran a story about private health care insurance fraud discovered in spas. Sun Life Financial, a member of the Canadian Health Care Anti-Fraud Association (CHCAA), takes a harsh stand against benefits fraud and abuse in all forms.

How it happens

A plan member (employee) goes to a spa where a service provider (e.g., chiropractor, massage therapist, physiotherapist, etc.) works together with the plan member to defraud the plan sponsor's (the employer's) group benefits plan through the submission of an apparently legitimate receipt for services rendered. The problem is that the service listed on the receipt was not actually provided. The service provider at the spa falsified the receipts by delivering a different service that was not actually covered under a plan member's private group plan.

It can be difficult to detect this type of collusion fraud and the few spas who engage in this activity can taint the good names of the many legitimate spas. Sun Life Financial works hard to help detect and deter it.

Fraud management at Sun Life Financial

While benefits fraud is perpetrated by a small number of people, the effects on a group benefits plan can be very costly. Sun Life Financial has invested heavily in leading-edge technology, tools and resources – including working closely with health-care regulatory bodies – to combat benefits fraud and abuse.

Sun Life's commitment in combating fraud

- We continue to enhance our controls to help ensure that plan sponsor benefit plans are even better protected from fraud.
- Our dedicated, specialized claims fraud team has a blend of skill sets: claims knowledge, investigation techniques, specialized knowledge such as pharmacy technicians, dental assistants, etc.
- Our Investigative Services Unit (ISU) team keeps current on latest trends – for example through our association with the Canadian Health Care Anti-Fraud Association.
- We leverage law enforcement resources as needed.

Sun Life's fraud management capabilities

Some of our key components include:

- advanced data analytics tools to detect unusual claiming patterns;
- strong service provider management and authentication processes (ensuring service provider is valid and in good standing);
- enhanced controls over new and emerging submission capabilities (e.g., stronger web controls).

Enhancements in Advanced Data Analytics

We have invested in building on our high utilization reviews with additional claims submission behaviours.

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group benefits news

We can identify irregular claiming patterns early and direct them to qualified investigators. Examples of claiming patterns include:

- drug seeking behaviours (e.g., double doctoring, using multiple pharmacies);
- testing coverage limits either through the web or paper claims;
- collusion between service providers and plan members.

Why fraud matters to you and your plan members

Benefits fraud has serious repercussions. These include:

- increases in plan costs and increased premiums;
- pressures benefits plan design and risks causing coverage reductions/elimination through efforts to contain costs caused by increases in insurance premiums;
- it is a criminal offence that can mean loss of employment or even imprisonment.

More information about benefits fraud

More information on fraud over the next few weeks can be found on Sun Life Financial's Benefits Canada microsite at: www.benefitscanada.com.

Over the coming months, there will be more information and education available to you and your plan members about our fraud management capabilities. Please stay tuned.

Fraud – Recognize it. Report it. Stop it.

Should you or your plan members suspect fraud may be occurring, please contact our toll free line at:

1-800-361-6212. Your privacy will be protected.

For more information, please contact your Sun Life Financial group benefits representative.