

HEALTHCARE

FRAUD & COMPLIANCE: How confident are you?

For the healthcare industry, compliance is essential. Fraud can have a big impact on an organization's reputation and undermine the trust of your patients. Trust that is imperative when lives are at stake. And while many organizations have auditing processes for employee spend in place, our recent survey of healthcare industry professionals found a lack of confidence in current procedures.



Managing employee policy compliance is a top priority



With almost 20% of T&E expenses falling outside of policy¹, it's no surprise monitoring and auditing expense reports is a top priority:

64%

of respondents audit 80-100% of expense reports



41%

have internal audit teams reviewing employee spend



17%

of companies use outsourced, independent auditors

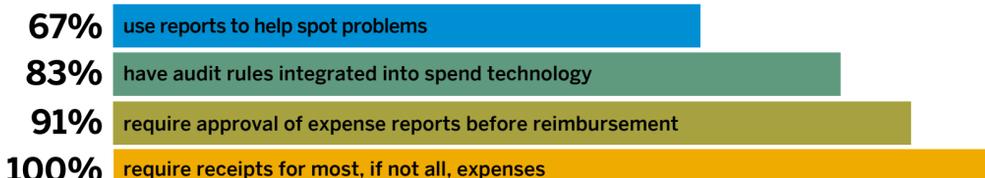


Fraud and non-compliance lead to more than just monetary losses. For healthcare organizations, reputation is on the line.

38% of fraud cases aren't referred to law enforcement for fear of bad publicity.²

Procedure is the first line of defense

Having an expense process in place goes a long way towards fighting fraud. Our survey respondents find a combination of technology, policy, and managerial approvals is the most successful approach:



Expenses to watch out for. When asked about fraud in their organization:

45% Found claims for the same expense twice (sometimes under different trips)

82% Found mileage padding

U.S. healthcare workers drive the most among all industries – and claim 20% more mileage expenses!³



27% of respondents have found false expenses, such as:



REAL CLAIM #17: Car payment



REAL CLAIM #40: Personal trips



REAL CLAIM #78: Auto repair



Not every non-compliant expense is fraud, keep in mind accidents do happen, so a conversation with the employee is always the best first step.

Compliance goes beyond an expense policy

Employee expense policy compliance is important, but industry regulations must also be considered.

WHEN ASKED: "Do you feel your company could be potentially at risk when it comes to global regulations and compliance?"



Answered **YES** or **NOT SURE**



Fines are costly for those who are not compliant. Stark Law penalties, for example, can run up to **\$100,000** for each arrangement considered to be a circumvention scheme.⁴ And with ever-changing regulations, you can't afford to be unsure.

Time to move away from manual processes

Automation and cloud technology are no longer out of reach, and the benefits go beyond time savings, including increased accuracy and reduced error. Consider upgrading your technology and moving away from manual processes.

In our survey, organizations reported time spent auditing expense reports monthly:

33% spend **76 hours or more** per month (whoa!).



That's 76 more hours per month that can go into patient programs and services (and not auditing expense reports).

Get automation and artificial intelligence (AI) on your side

SAP® Concur® solutions such as Concur® Expense and Concur® Detect by AppZen use AI to analyze receipts, credit card transactions, and bookings:



Reducing expense report errors by up to

66%



Shortening auditing time by as much as

90%



Auditing 100% of expense reports

100%

Providing expertise and insights with your industry in mind.

To learn more, visit concur.com or contact us today.

Sources

1 Concur, [Taking the Pain Out of Expenses: 11 Tips for Creating an Expense Policy](#)
 2 ACFE, [Report to the Nations 2018 Global Study on Occupational Fraud and Abuse](#)
 3 Concur, [Road Tripping: Road Warriors are Racking Up the Miles Across the Globe](#)
 4 Centers for Medicare & Medicaid Services, [Audits and Penalties: November 23, 2016](#)