

**HIPAA**  
**(Health Insurance Portability and Accountability Act of 1996)**  
**Government Enforcement Information**

Enactment of HIPAA increased enforcement agencies' existing enforcement tools. HIPAA created several new criminal offenses:

- Healthcare Fraud
- Embezzlement of healthcare funds
- False Statements relating to healthcare
- Money Laundering
- Obstruction of Justice

HIPAA authorizes federal prosecutors to issue administrative subpoenas in an investigation without a grand jury and directs the courts, in the sentencing of convicted federal healthcare offenders, to impose criminal forfeiture on assets obtained as a result of fraud. These actions apply to all payors rather than to just federal healthcare programs.

HIPAA made modifications to the Civil Monetary Penalties Law. They include four new prohibited practices.

- Participating in a pattern of upcoding;
- Participating in a pattern of claiming medically unnecessary services or items;
- Transferring compensation to Medicare or Medicaid beneficiaries that is likely to influence the beneficiary to order or receive services (including waiving coinsurance and deductible amounts), subject to certain exceptions;
- Submitting a claim where the person who submitted the claim has been excluded from Medicare/Medicaid participation.

HIPAA also allowed for federal enforcement official's exclusion authority. A mandatory five-year exclusion from Medicare or Medicaid will be enforced for felony convictions relating to healthcare fraud.