Program Abuse

"Provider practices that are inconsistent with sound fiscal, business or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care. It also includes recipient practices that result in unnecessary cost to the Medicaid program." (42 CFR §455.2).

Elements of Program Abuse:

a. Inconsistency (pattern of not following known laws, rules, regulations, contracts or industry practices/procedures).

b. Costs (unnecessary loss to a government program).

c. Not necessary/does not meet standards (general disregard for professional or industry standards and practices).