

Parkland pursues patients who lied to get free care

Dallas hospital aims to recoup millions from out-of-county residents

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By KEVIN KRAUSE and SHERRY JACOBSON / The Dallas Morning News

Parkland Memorial Hospital is going after out-of-county patients whom investigators believe lied about being indigent Dallas County residents to get free medical services.

The public hospital's police staff is working with the district attorney's office to pursue criminal charges against patients who received treatment at Parkland since September and lied about where they lived and how much money they earned.

Officials are investigating 142 patients who might eventually be asked to pay their medical bills, about \$4 million. The hospital also might sue them in civil court to collect the money.

The average case under investigation involves \$30,000 in unpaid medical bills. Patient names will not be made public, however, because of the federal government's strict patient-privacy act.

One of the initial cases involved a woman who owns a large home in Collin County and a business in Arkansas but who claimed to be a Dallas County resident when she received treatment for breast cancer at Parkland, Commissioner Kenneth Mayfield said. Her treatment totaled more than \$100,000.

When confronted, the woman agreed to work out a payment plan with the hospital, he said. Another patient from Denton County also has agreed to pay Parkland bills.

"This has been going on for far too long with no consequences," Mr. Mayfield said. "They think Parkland is free. We want to get that out of people's minds."

Last year, Dallas County taxpayers paid about \$18.3 million for patients who came to the charity hospital from more than seven counties. At the top of the list in 2005, Collin County patients left a tab of \$4.5 million in unpaid bills.

John Gates, Parkland's chief financial officer, said the county expected to collect several million dollars from patients who gave fraudulent information to the hospital.

"We are going after people who applied for the Parkland Health Plus program," he said. Free medical care is offered only to Dallas County residents who earn less than \$40,000 a year – for a family of four – and who lack health insurance coverage. They also must not have turned down the opportunity to buy insurance at their current jobs.

Parkland and county officials will announce details of their wide-ranging and unprecedented investigation into patient fraud at the hospital today during the Commissioners Court meeting.

Until recently, the hospital didn't have an automated system to verify patients' information. Parkland is now using software to verify patients' residency and financial information.

In December, Parkland staff began forwarding fraudulent patient information to its police department.

Mr. Mayfield said the investigation is two pronged – focusing first on out-of-county residents who gave Parkland false addresses and financial information so they could avoid paying for their care. Later, it also will target Dallas County residents who falsely claimed to be indigent to receive free care, he said.

Some of those patients have insurance but don't want to use it, Mr. Mayfield said. The county wants to send a strong message and make an example out of people who have abused the system, he said.

"It's just not right," Mr. Mayfield said. "These people are stealing from Dallas County taxpayers."

Last month, county officials announced their intention to bill Texas counties, Mexico and other foreign nations for treating their indigent residents at Parkland. But that effort was largely symbolic – since officials do not expect to collect the money.

Not so with the new criminal investigations.

Mr. Mayfield said he and other commissioners pressured Parkland to begin investigating such cases last year to hold freeloaders accountable for defrauding taxpayers. Such collection efforts had been done only sporadically in the past.

"Generally, these would be people who live outside Dallas County and who have assets that they have hidden from us," Mr. Gates said.

Rachel Raya, spokeswoman for the district attorney's office, said that some cases have been referred to their specialized crime division but that no indictments have been handed down.

Individuals could be charged with theft by deception.

In many cases, uninsured residents from neighboring counties have come to Parkland for medical care because they have no access to a public hospital at home. Rather than lie about where they live, hospital officials encourage out-of-county residents to arrange a long-term payment plan.

Also today, commissioners will discuss adding a prosecutor and investigator position at an annual cost of \$161,702 to handle only Parkland patient fraud cases.

Commissioner John Wiley Price said the county is not going to tolerate abuse of the system.

"Fraud is fraud, and we're going to continue to pursue it whenever we need to," he said.

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TREATED HERE, LIVING THERE

Parkland Hospital has provided emergency and urgent care for patients from more than seven counties. In 2005, the nonreimbursed care that Dallas County taxpayers paid included:

Collin – \$4,517,600
Denton – \$2,743,342
Ellis – \$1,886,567
Hunt – \$907,550
Kaufman – \$926,031
Rockwall – \$571,128
Tarrant – \$2,242,434
Other – \$4,527,789

SOURCE: Parkland Health and Hospital System