



State of New Hampshire Insurance Department

21 South Fruit Street, Suite 14
Concord, NH 03301
603-271-2261

FOR IMMEDIATE RELEASE

Contact: Andrew Demers,
Communications Director
603-271-3781
communications@ins.nh.gov

New Hampshire Insurance Department Raises Awareness on Durable Medical Equipment Fraud

CONCORD, NH (April 20, 2023) – The New Hampshire Insurance Department’s Fraud Unit has identified an increase in suspected cases of fraud relating to Durable Medical Equipment (DME) and is consequently alerting agents, brokers, carriers, and producers to be vigilant against DME fraud schemes that have become more pervasive and varying in their complexity.

"The increase in suspected cases of DME fraud is concerning and underscores the importance of remaining vigilant against insurance fraud," said New Hampshire Insurance Commissioner Christopher Nicolopoulos. "The NHID will continue to work tirelessly to protect the public and maintain the integrity of the insurance industry for all Granite Staters. It is critical that insurance professionals and consumers alike help to identify and prevent these fraudulent activities."

The Federal Government defines DME as "equipment which can withstand repeated use;" "is primarily and customarily used to serve a medical purpose;" "generally is not useful to a person in the absence of an illness or injury;" and "is appropriate for use in the home." DME can include a vast array of items such as powered and manual wheelchairs, medical beds, oxygen equipment, and walkers.

While DME fraud typically targets Medicare and Medicare Supplemental products, suppliers can defraud commercial carriers in numerous ways, including billing for medically unnecessary equipment, equipment, or supplies that were never provided to patients, services that were never performed, and equipment provided to patients who do not qualify for the equipment under a government health program.

Additionally, the Department warns that suppliers can engage in improper financial relationships with physicians who refer patients, pay kickbacks to physicians for referrals or for physicians'

signatures on certificates of medical necessity (CMNs), provide equipment that is known to be defective, and forge physician signatures on CMNs.

"The Department's Fraud Unit is dedicated to investigating and prosecuting fraudulent activities related to Durable Medical Equipment," said Deputy Insurance Commissioner DJ Bettencourt. "We encourage anyone who suspects fraudulent activity to report it to our office promptly in order to combat insurance fraud and protect our communities."

The Coalition Against Insurance Fraud reports that insurance fraud is one of America's largest crimes, with at least \$308.6 billion stolen each year. Insurance fraud not only leads to increased insurance premiums for honest consumers but also destroys lives, families, businesses, and careers.

The New Hampshire Insurance Department reminds all licensed insurers and producers in New Hampshire that they must report any suspected instances of insurance fraud or insurance-related criminal activity, pursuant to NH RSA 417:28.

"Insurance fraud is a significant crime that affects all Granite Staters," said Brendhan Harris, Fraud Director at the New Hampshire Insurance Department. "The NHID is committed to prosecuting those who engage in fraudulent activities, and DME fraud is just one example of the many types of insurance fraud that our Fraud Unit investigates."

For additional questions regarding DME or any other insurance-related fraud, please contact Brendhan Harris, Director of the Fraud Unit at the NHID, at NHFraud@ins.nh.gov or by telephone at 1-800-852-3416.

The New Hampshire Insurance Department Can Help

The New Hampshire Insurance Department's mission is to promote and protect the public good by ensuring the existence of a safe and competitive insurance marketplace through the development and enforcement of the insurance laws of the State of New Hampshire. Contact us with any questions or concerns you may have regarding your insurance coverage at 1-800-852-3416 or (603) 271-2261, or by email at consumerservices@ins.nh.gov. For more information, visit <https://www.nh.gov/insurance>.

###