

Robert Rubel, CPA, CIA, CISA **Assistant City Auditor IV**

Robert Rubel has been with the Office of the City Auditor since February 2013 and currently serves as an Assistant City Auditor IV. He has conducted performance audits of the City of Dallas' self-insured medical program, payroll processes related to retirement programs, and paving and maintenance program / capital program of streets and thoroughfares. Mr. Rubel has also had responsibility of special audits of former City Council members, the former City Manager, and the former City Attorney.

Mr. Rubel worked for five years in the oil and gas industry in Dallas, Texas. He also served in the Texas State Auditor's Office performing A-133 Federal Compliance and Financial Statement Audits for the State of Texas. In 1992, he accepted the position of Assistant Director in the internal audit department at University of Texas Southwestern Medical Center. He was promoted to Chief Audit Executive in 1997 and retired from the position in 2013.

Mr. Rubel graduated from University of Texas, Arlington in 1982 with a Bachelors of Business Administration in Accounting, and he completed his Masters of Business Administration from the University of Texas at Dallas in December 2013. He is a Certified Public Accountant (CPA), a Certified Internal Auditor (CIA), and a Certified Information Systems Auditor (CISA).



Robert Rubel, MBA, CPA, CIA, CISA
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FRAUD IN GOVERNMENT

WELCOME

Why do people steal from
Government?

That's where the money is!

Rubel's Law



SHOW ME THE MONEY!

Healthcare Expenditure in the US in 2010 was \$3 Trillion!

CMS Fraud up to 10% of total

Medicare/Medicaid = \$100 B each!

Centers Medicare & Medicaid Services (CMS)



10 MEDICAL FRAUD AREAS

1. Billing for services not rendered.
2. Billing for a non-covered service as a covered service.
3. Misrepresenting dates of service.
4. Misrepresenting locations of service.
5. Misrepresenting provider of service.
6. Waiving of deductibles and/or co-payments.
7. Incorrect reporting of diagnoses or procedures (includes unbundling).
8. Overutilization of services.
9. Corruption (kickbacks and bribery).
10. False or unnecessary issuance of prescription drugs.

(ACFE)



CMS PAYMENTS

Forest Park Medical Center

The Department of Justice unsealed an indictment against Dr. Toussaint, one of the Forest Park founding physicians. The 17 DOJ counts were tied to his standalone practice, Ascendant Anesthesia. But the alleged fraud had occurred at Forest Park Dallas as well as at another unaffiliated facility, Doctor's Hospital at White Rock Lake. The 11-page indictment argued that Toussaint bilked Blue Cross Blue Shield of Texas, United Healthcare, and the Federal Employees Health Benefits Program for more than \$5 million over 18 months in 2009 and 2010

A close-up photograph of a silver stethoscope resting on a stack of US dollar bills, with the number '5818' visible on one of the bills.

CMS PAYMENTS

Forest Park Medical Center

The feds accused Toussaint of charging for services rendered while he was actually under anesthesia undergoing surgery himself. At other times, they alleged, he was on a private jet, in another state, or in another hospital a few miles away. If convicted, the feds want eight of his cars, which include two McLarens and two Rolls Royce Ghosts



SSDI - DISABILITY

SSDI to run out of money in late 2016 –

Spent \$200 B in 2015

NY City Workers swindled SSDI out of \$400 M
since 1988

Some say its not a high fraud rate, Mrs. Minnesota
(1999) sentenced in 2004 to four years in prison

SOCIAL SECURITY

In 2012 SS payed \$31 M to 2,475 dead people
Which was better than 2.1 million deceased people
in 2011

PORK BARREL SPENDING

The national debt is \$19.2 Trillion

Read Senator Flake's continuation of Senator Tom Coburn's "Wastebook" (290 pages)

Top 100 dumbest uses of taxpayers money, 30 Billion in frivolous spending

Monkeys on treadmills, parties for hipsters, and sheep in microgravity

IT Insecurity – \$100 B

TOTAL FEDERAL FRAUD

Some estimate it to be \$300 B or 10% of the budget (\$3.8 T in FY 2015)

If we just reduced that in half or to private sector rates of 2% we could save real \$\$

IRS TAX FRAUD

Tax Refund scams 2015

The “Dirty Dozen” Tax Scams

Phone scams, Phishing, Identity theft, preparer fraud, inflated refunds, etc.

Tax Refund Fraud went from \$6.5 B in 2014 to est. \$21 B in 2016

I MORTGAGE FRAUD

Fraud for Housing

Fraud for Profit

Fraud for Criminal Enterprise

GSA SMART PAY CREDIT CARD PGM

3.5 million charge cards for 350
Federal Agencies

FY 2012 – 95.6 million transactions
for \$29.3 B

IRS audit found about 2% misuse in
2010-11, no recent audits

WHAT TO DO?

Preventive or Detective?

More auditors?

Cross-Reference all Gov't. Aid

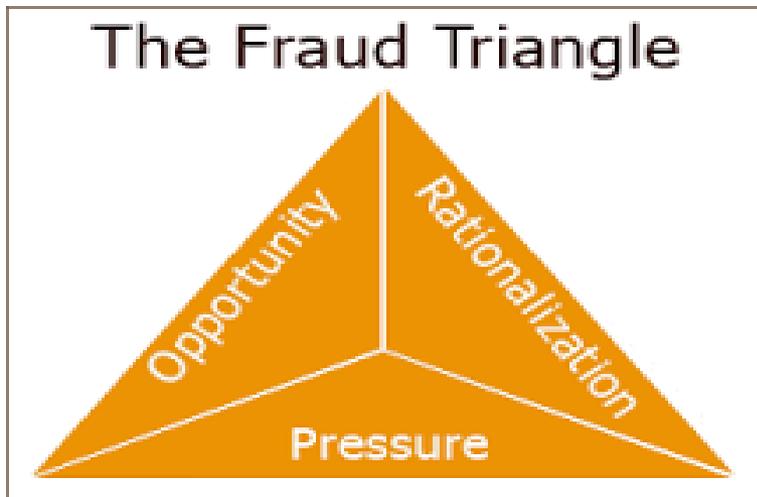
Artificial Intelligence on CMS claims

Chip embedded cards for claims

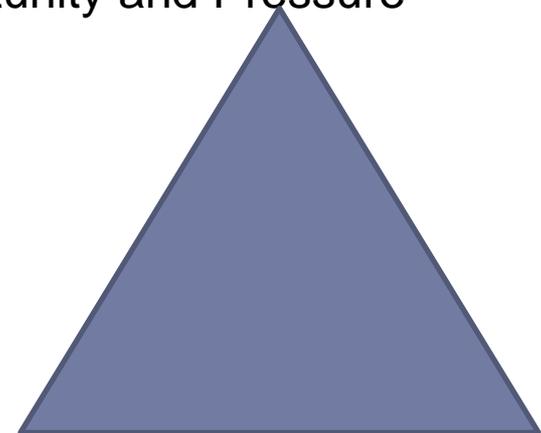
National ID card to replace SSN



FRAUD TRIANGLE MYTH



The Fraud Bi-angle, only need opportunity and Pressure





SUMMARY

If you can't steal from the Government...

Tax Refund Fraud is really scary

More effort to reduce and eliminate Fraud

Public Service Announcement:
Always wear sunscreen & get your Flu shot

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