Anti-Fraud and Medicare Abuse Overview

Insurance Fraud is any act committed with the intent to fraudulently obtain payment from an insurer – which may range from slightly exaggerating claims to deliberately causing accidents or damage.

Resource: http://www.insurance.ca.gov/0300-fraud/0100-fraud-division-overview/05-ins-fraud/

Anti-Fraud Plan

Objective of the Anti-Fraud Plan

Sentinel Security Life intends to minimize exposure to any type of fraud, by implementing written guidelines and procedures regarding fraud by agents, applicants, policy holders, claimants, medical providers, consultants, vendors, contractors, employees, or any other party who might attempt to misappropriate Company assets. These guidelines and procedures are also intended to satisfy the rules, reporting requirements and penalties regarding insurance fraud set forth in the various states in which Sentinel Security Life is licensed to do business.

Fraud Defined:

Fraud generally involves a willful or deliberate act done with the intention of obtaining an unauthorized benefit, such as money or property, by deception or other unethical means. All fraudulent acts are included under this policy and include but are not limited to such things as:

- Embezzlement, misappropriation, or other financial irregularities.
- Forgery or alteration of documents.
- Inaccurate, untimely financial disclosures and reporting.
- Non-compliance with governmental laws, rules, and regulations.
- Improprieties in the handling or reporting of money or financial transactions.
- Authorizing or receiving payment for goods not received or services not performed.

Agents and Brokers:

The Company requires that all agents and brokers be examined on their knowledge of insurance law in the states in which they are licensed. Sentinel Security Life requires criminal and financial background checks prior to appointing any new agent. Additionally, agents' and brokers' licenses are verified and monitored by Sentinel Security Life's Contracting Department prior to payment of commissions. The Company provides access to this Anti-Fraud Plan and the Company's Fraud Waste and Abuse training program to appointed agents and brokers on the Company's website.

Agents Shall:

Identify individuals purchasing insurance policies and the individuals to be insured and shall verify that the purchaser of the policy has an insurable interest in the insurance applicant by:

- Being alert to any indication that the applicant may not be the person he/she purports to be.
- Asking applicant all questions on the application.
- Observing the personal health interview whenever possible.
- Noting and notify underwriting of any suspected fraudulent matters.

As fraudulent activities generally prosper "in the dark", it is the responsibility of anyone suspecting fraudulent activity to report it to others.

Anti-Fraud and Medicare Abuse Overview

Medicare Abuse

What is Medicare Abuse?

Abuse describes practices that, either directly or indirectly, result in unnecessary costs to the Medicare Program. Abuse includes any practice inconsistent with providing patients with medically necessary services meeting professionally recognized standards.

Examples:

- Billing for unnecessary medical services.
- Charging excessively for services or supplies.
- Misusing codes on claims.

Please report any suspected abuse to Sentinel Security Life's Claims Department.

Sentinel Security Life Insurance Company

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A.M. BEST B++ Good

A.M. Best "B++" (Good) with Stable Outlook as of March 2021