



Coalition Against  
Insurance Fraud

# A SURVEY INTO LONG-TERM CARE

# FRAUD TRENDS

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# About The Coalition



The **Coalition Against Insurance Fraud** brings together insurers, regulators, consumer advocates, and other organizations to work as one against the problem of insurance fraud.

- Founded in 1993
- 320+ member organizations
- Recognized as a leader in the fight against insurance fraud

## **Coalition Mission:**

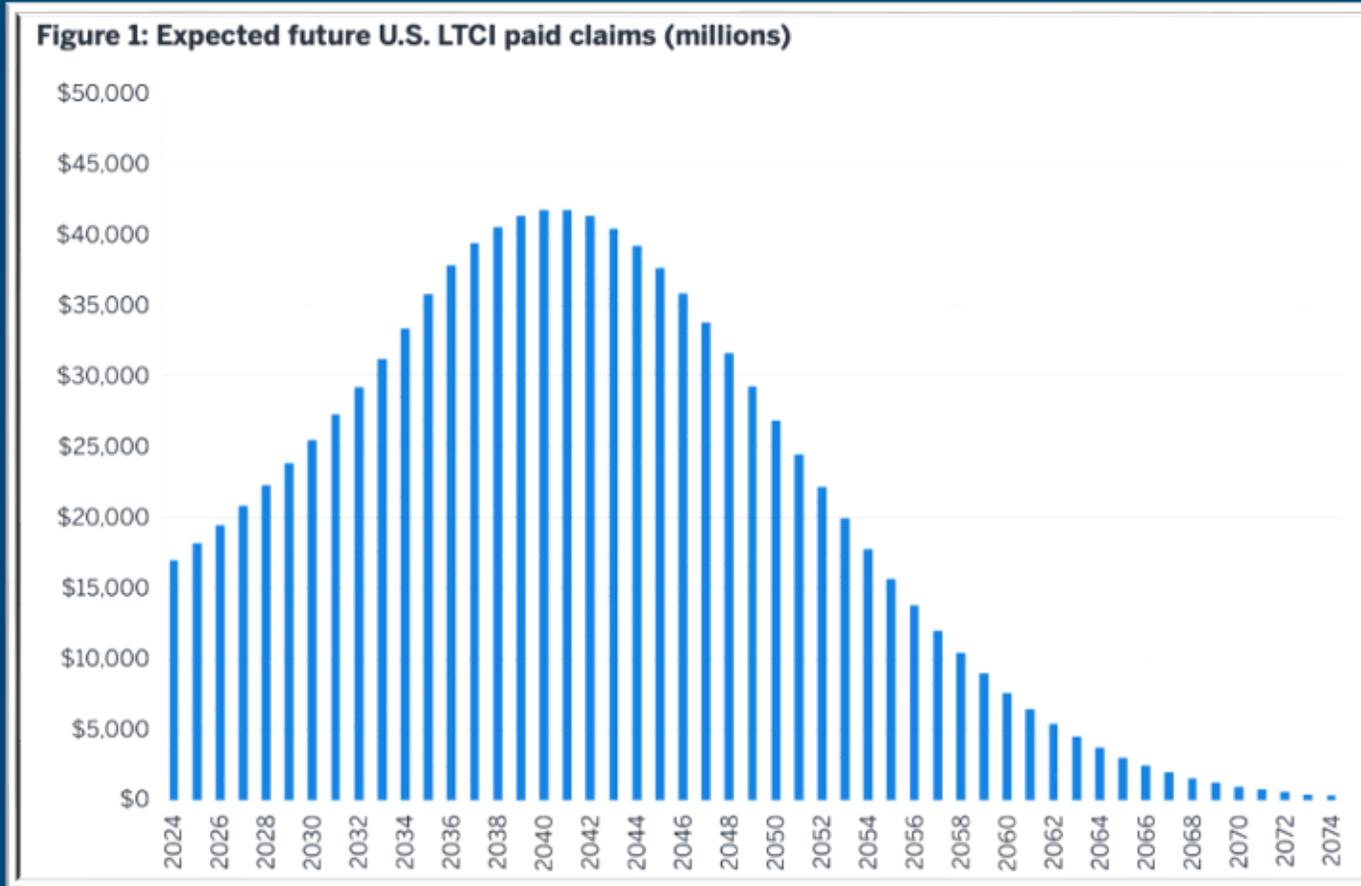
To unite and empower private and public groups to fight insurance fraud through outreach, advocacy and research.



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# Growing Threat Of LTC Fraud



*From Milliman's Annual U.S. Industry LTCI Claims Projection*

- The NAIC, in 2022, determined traditional LTC policies covered 6.1 million individuals
- Hybrid products are emerging offering a LTC benefit
- Due to an aging population, a study by Milliman shows LTC claims on the rise through 2042
- Fraudulent activity is further expected to increase

THREAT

# Formation Of LTC Fraud Subcommittee

RESPONSE



**Jeff Ferrand, Co-Chair**  
Vice President  
Fraud Services  
Illumifin



**Laurene Polignone, Co-Chair**  
Assistant Vice President  
LTC Fraud Waste & Abuse  
John Hancock

# LTC Resources Developed



## About Us

The Coalition Against Insurance Fraud is the nation's only alliance bringing together insurers, government agencies, consumer organizations, and other partners to address the serious and costly problem of insurance fraud. Since 1993, the Coalition has advanced the fight against fraud through outreach, advocacy, and research, while raising national awareness of its far-reaching impact on consumers and the insurance industry.

To learn more about the Coalition and its mission, please visit our website, or contact us at:

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www.insurancefraud.org

## Common LTC Fraud Schemes Targeting Vulnerable Seniors

Older adults who struggle to track benefits, manage complex paperwork, or advocate for themselves can become easy targets for exploitation. Unscrupulous caregivers, medical providers, and facilities may take advantage of these vulnerabilities, and engage in schemes such as:

- **Billing for services or hours that never occurred** — counting on the patient not remembering or being able to verify what was provided.
- **Charging for a higher level of care than actually delivered** — inflating claims to collect more money, without improving the patient's care.
- **Altering medical records, care logs, or timesheets** — hiding poor-quality care or justifying inflated charges.
- **Pushing unnecessary treatments or equipment** — convincing patients or families to approve services that serve the provider's profit, not the patient's health.
- **Insisting on handling all billing and communications** — keeping families "out of the loop" so fraudulent charges slip through.
- **Pressuring patients to grant Power of Attorney (POA)** — convincing vulnerable seniors it's in their best interest, often without informing or involving family members, to gain control over financial or medical decisions.

## Long-Term Care Fraud

Protect Your Loved One  
Protect Their Benefits

## Report Suspected Fraud Immediately

Insurance fraud is a crime. If you suspect a caregiver or provider is engaging in long-term care fraud:

- Immediately contact the **insurance company** offering long-term care benefits, as well as the **state insurance fraud bureau** to report it.
- If your family member also receives Medicaid, report concerns to **your state's Medicaid Fraud Control Unit**.
- If your family member is on Medicare, contact the **U.S. Department of Health & Human Services Office of Inspector General (HHS-OIG)**.

Remember, speaking up can protect your loved one's benefits and stop criminals from targeting others.

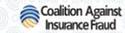


## PROTECT YOUR LOVED ONE FROM LTC FRAUD

If your loved one has a long-term care policy, and is unable to monitor their own care and benefits, you can be their strongest defense against fraud by:

-  Keeping policy details private or limited to family members, versus sharing benefit information with providers.
-  Reviewing everything, including bills, care plans, and benefit statements to confirm rates are fair and services match the care received.
-  Questioning anything suspicious, such as unclear charges, sudden changes in care, or services you didn't authorize.
-  Staying organized and keeping the insurance policy, claim forms, receipts, and care records in one safe place.
-  Guarding their signature by never having them sign blank forms or pre-filled timesheets, and not allowing others to have them sign documents without your knowledge.
-  Trusting your instincts and acting quickly if something feels off.

www.insurancefraud.org



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RESOURCES

# Website: Insurancefraud.org



**Coalition Against Insurance Fraud**

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**The Coalition Against Insurance Fraud** unites and empowers private and public groups to fight insurance fraud through outreach, advocacy and research.

**Insurance fraud is generally described as...**  
*"The intentional providing of false or misleading information, or withholding of material information, as part of an insurance transaction."*

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## Survey Need



### ORGANIZATIONAL NEED:

To assess the prevalence, characteristics and emerging risks associated with LTC fraud

### AUDIENCE:

Insurance carriers offering LTC insurance or hybrid products with a LTC component

### SURVEY TIME FRAME:

Conducted in the 4<sup>th</sup> quarter of 2025, with the survey closing at the end of December

# Methodology

- The survey focused on carrier experience with suspected and confirmed fraud rather than attempting to quantify total industry losses
- 12 LTC insurance carriers participated
- Responses were collected anonymously and aggregated to encourage candid participation
- Questions addressed fraud schemes identified within the past 24 months, policy types affected, parties involved, investigative challenges, reporting practices, and tools used for detection and prevention



2025 SURVEY

# Overview Of Survey Results

- 11 of 12 participating carriers reported initiating suspected LTC fraud investigations during the past 24 months
- Nearly all investigations led to findings of suspected or confirmed fraud
- Respondents reported strong consistency in types of fraud schemes encountered
- Carriers with large, mature blocks of stand-alone LTC business reported significantly higher investigation volumes and confirmed fraud cases than carrier primarily offering hybrid products



RESULTS

# LTC Fraud Risk By Policy Type

Traditional **stand-alone** LTC policies represent the highest-risk segment for LTC fraud



**Hybrid** LTC products generally showed lower reported fraud frequency

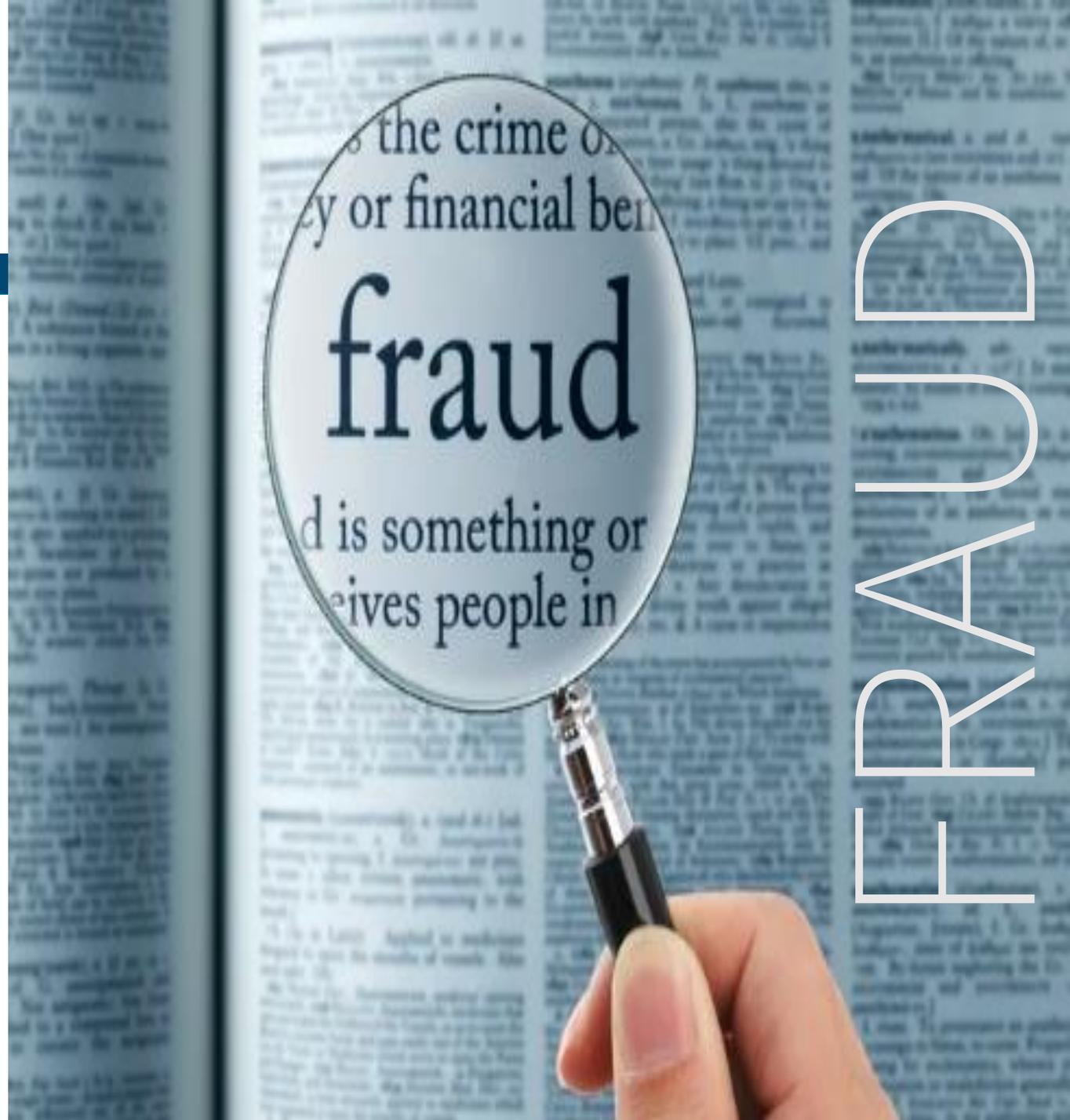
As hybrid claims increase and enhanced analytics are applied, carriers report identifying more suspected fraud, indicating growing exposure rather than diminished risk.

TRENDS

# Common LTC Fraud Schemes



- Exaggeration or fabrication of care needs
- Billing for services not rendered
- Billing for higher levels of care than provided
- Use of unlicensed or ineligible caregivers
- Submission of forged or altered documentation
- Collusion among multiple parties



# Common Parties Committing LTC Fraud



FRAUD



Independent  
Care Givers

Claimants /  
Policyholders



Home  
Health  
Agencies



Family  
Members



Those With  
Power Of  
Attorney

# Investigation Challenges



- Difficulty verifying services in home-based care settings
- Limited access to caregiver credentialing and employment data
- Privacy and consent constraints
- Delayed detection due to long claim durations
- Resource-intensive field investigations



# Investigative Methods / Tools

- Field investigations and surveillance
- Proof-of-payment and documentation reviews
- Third-party data sources
- Electronic visit verification
- Analytics and emerging AI-enabled tools

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# Reporting Of Suspected LTC Fraud



Most carriers reported referring suspected LTC fraud



Not all identified fraud is referred externally



# Factors Influencing Reporting

- Evidentiary challenges
- Difficulty establishing intent
- Delayed detection
- Resource constraints
- Uncertainty regarding enforcement outcomes



# Educational Opportunity

An educational opportunity appears to exist, as state fraud reporting mandates require the reporting of suspected fraud, even in situations where evidentiary challenges, uncertainty of intent, or other investigative complexities may be present.



EDUCATION



# Fighting LTC Fraud Through Collaboration



Effectively addressing long-term care fraud will require significant collaboration amongst:

- Insurers
- Regulators
- Law Enforcement & Prosecutors
- LTC Providers & Caregivers
- Consumer Groups
- Consumers & Families

# Improved Reporting Needed

- Clearer referral guidance
- Designated OFRS LTC fraud category
- Consistent reporting practices



# Coalition Next Steps



- Provide education for carriers, caregivers, consumers, regulators, law enforcement and prosecutors
- Encourage carriers to improve verification and detection tools
- Monitor NAIC's implementation of a LTC fraud reporting mechanism in OFRS
- Advocate for consistent insurer reporting and information sharing
- Fostering stronger collaboration among insurers, regulators, law enforcement and other stakeholders



FORWARD

For More Information 



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THANK YOU