

ABSTRACT

The National Health Insurance System (JKN) which has been implemented in Indonesia since 2014 has several challenges in its implementation, including fraud. Based on KPK data in 2016 upcoding was the highest healthcare fraud scheme that worth 50%. Profit maximization, coding errors, lack of coding guidelines, coder training, and coordination between hospitals and BPJS are the causes of upcoding. The aim of this study is to examine the practice of upcoding in hospitals in Semarang, the meaning of upcoding by hospitals and BPJS side, also examine the appropriate internal control system to prevent upcoding. This study uses a qualitative method with a case study approach. The result of the study are : upcoding founded by BPJS Kesehatan was an indications or red flags. But there haven't any follow-up on the red flags. There was still a lack of fraud awareness both BPJS Kesehatan and hospitals. BPJS Kesehatan has not implemented strict sanctions if there were repeated cases on pending claims so that it can create fraud opportunities. Meanwhile, the hospital did not follow up the red flags as a fraud risk, impacts hospital's internal control. Increasing fraud awareness is important to reduce the fraud opportunity and improving the internal control system to prevent fraud.

Keywords : Fraud, Healthcare Fraud, Internal Control, Upcoding