



PAULINE
GRABOWSKI
& ASSOCIATES

HEALTHCARE
SOLUTIONS

Don't Become a Statistic...Prevent Embezzlement Now!

*Presented by
Pauline Grabowski*



Embezzlement/Fraud

What is the Crime?

“Embezzlement...the fraudulent conversion of property of another or by a person in lawful possession of the property.”



Embezzlement/Fraud

What is the Crime?

“Larceny...the property is carried away; it was never in the position of the perpetrator.”





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...Meet Mary

Why People Embezzle

Three Primary Motives

1. Need for Money
2. Revenge
3. Excitement



The Embezzlement Club, Tina Ezell Premier Consulting

Why People Embezzle

Behavior Traits

Addictive Behaviors

Attitude and/or Lifestyle Issues

Lack Personal Integrity - Motive

Seek Opportunity for Personal Gain





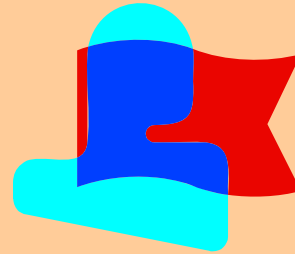
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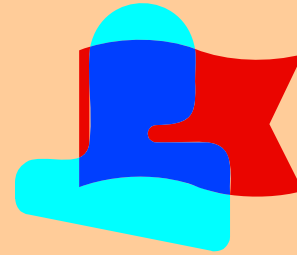
...Meet Sarah

10 Red Flags



- Employee does not want anyone to do her/his job
- Employee holds daily work over to next day
- Employee prefers to work unsupervised
- Employee works after hours or takes work home
- Employee does not want to take vacations

10 Red Flags



- Employee points finger at other team members
- Employee has no explanation for mistakes
- Employee asks Dentist to sign checks while treating patients
- Employee has a financial lifestyle
- Employee documents unexplainable business expenses

Other Symptoms

- Frequently requesting cash advances or not repaying prior loans
- Receiving telephone calls at work from creditors
- Wages are being garnished
- Frequent tardiness or failure to report for work and poorly explained absences
- Gambling at the workplace or reference to excessive gambling activities

Other Symptoms

- Often has a hangover, or references excessive drinking behavior
- References excessive use of recreational drugs
- Preoccupied with family, marital or personal financial stresses
- Meets questionable people at work
- Displays disruptive or erratic behavior; withdrawn, angry, frustrated, exhibits mood swings

Prevention

Guidelines

- ✓ Investigate **EVERY** employee
- ✓ Contact references
- ✓ Develop written Job Descriptions
- ✓ Define “User” passwords of software
- ✓ Review **ALL** day sheets
- ✓ Balance deposits **DAILY**

Prevention

Guidelines

- ✓ Periodically review employee work
- ✓ Insist on scheduled vacation time
- ✓ Review Collection Records weekly
- ✓ Review A/R balances monthly
- ✓ All “write-offs” over \$100 Must Be Approved
- ✓ Compare write-offs with cash receipts

Prevention

Guidelines

- ✓ Owner make own bank deposits
- ✓ “For Deposit Only” on all checks
- ✓ Conduct audits at irregular intervals
- ✓ Review software “Audit Trails” weekly
- ✓ \$50-\$100 in LOCKED Petty Cash fund
- ✓ HIRE A CONSULTANT/ACCOUNTANT

Patient Surveys



- Most patients are reluctant to express their concerns to doctors or staff but will give opinion to 3rd party questionnaire
- Financial issues top the list of patient concerns, including:
 - Confusing financial policies
 - Lack of discussion of fees prior to treatment
 - Lack of courtesy and professionalism in addressing financial issues

Patient Surveys

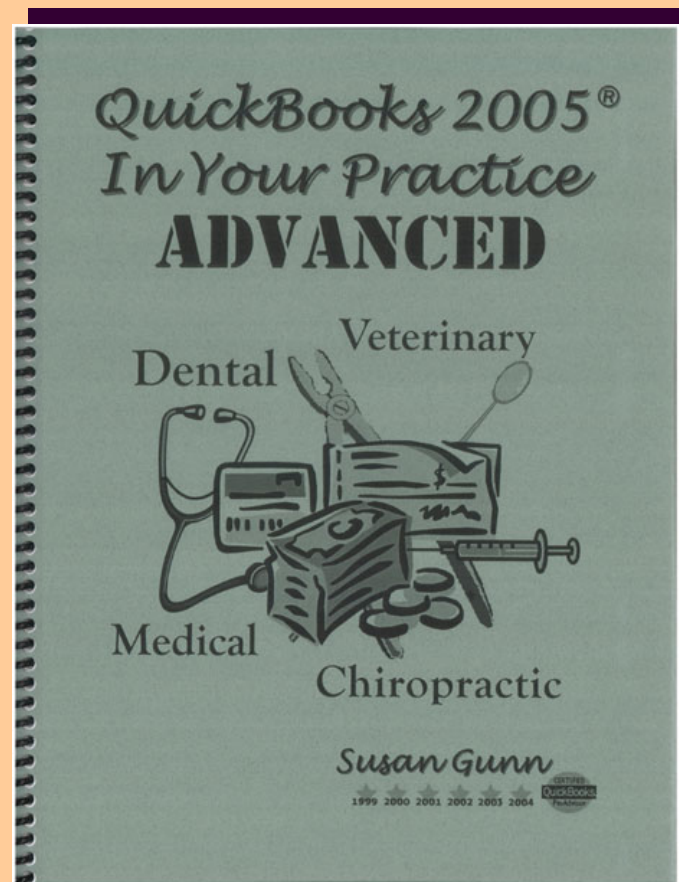
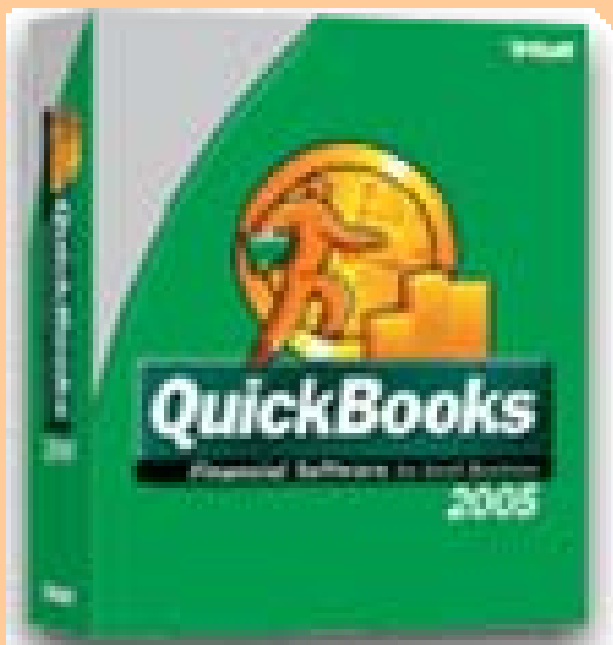


- Patient surveys can help you:
 - Regularly assess patient satisfaction and perceptions of the practice
 - Identify trouble spots so they can be addressed quickly!



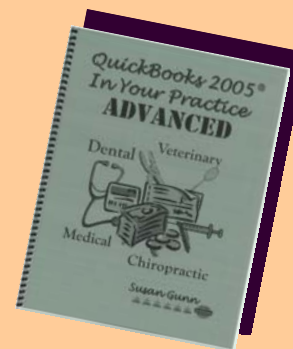
Accounting Prevention Guidelines

QuickBooks®



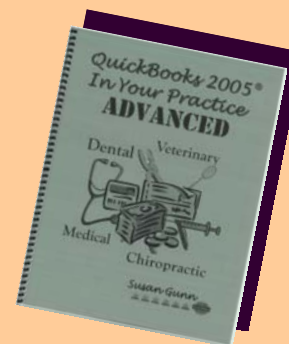
Accounting Prevention Guidelines

1. Doctor has Main password
2. Others have separate passwords
3. Employee reports weekly and monthly
ON TIME!
4. Compare day sheets to deposit slips and income entries in QuickBooks®
5. Petty Cash receipts **MUST** equal amount to be replenished



Accounting Prevention Guidelines

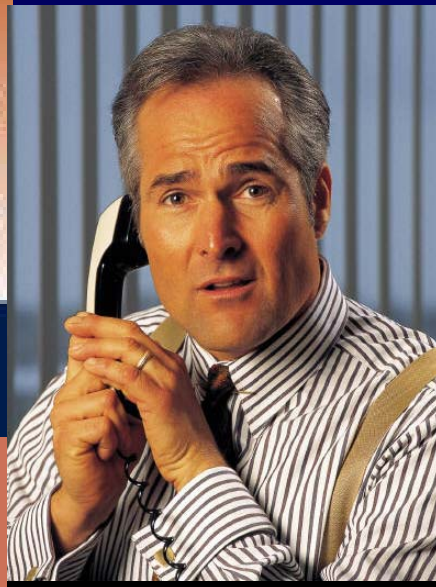
6. Always personally sign checks, no stamps!
7. Watch vendor supply expenses and [know vendor companies]
8. Pay attention to patient reimbursements
9. Use the “Audit Trail” feature in QuickBooks®
10. Get Organized!





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...Meet Dr. O'Brien



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Thank You for Attending!

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References & Resources

QuickBooks® 2005 In Your Practice, Susan Gunn Consulting

Valmont Research

<http://criminal-law.freeadvice.com>

www.agd.org

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www.Premierdentalconsulting.com

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