

Embezzlement not uncommon in medical practices

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(HealthDay)—Embezzlement occurs frequently in medical practices and

steps should be taken to prevent it, according to an article published in *Medical Economics*.

Physician practices suffer from some of the highest rates of money mishandling among service industries. During the course of their professional career, three out of four providers will suffer embezzlement.

Embezzlement can result from employees creating fake companies, stealing petty cash, giving themselves bonuses or raises, overstating hours worked, using credit cards for personal expenses, and writing checks. In order to prevent embezzlement, practices should conduct detailed background checks and [drug testing](#) on all employees; this should include a detailed credit check. Staff should be informed that the company takes a zero-tolerance policy on theft and that all thefts will be reported to law enforcement. All bills/envelopes should be provided to the practice's owners unopened. Cash co-payments should be monitored, and cash reviewed daily. Employees should not be allowed to take work home. Employees should be mandated vacation offsite in order for bookkeeping to be reviewed. Bookkeeping, accounting, and all financial duties should be separated. Red flags can include having a sudden flux of cash and trying to prevent other employees from handling money.

"Employee [embezzlement](#) happens frequently in medicine, especially in small practices," according to the article. "However, there are a lot of steps practices can take to prevent it from occurring in the first place."

More information: [Abstract/Full Text](#)

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