



The Acting Chairman
The Economic and Financial Crimes Commission
EFCC Headquarters
Idu
Abuja



Dear Sir,

Demand for Urgent Investigation and Probe into Fraudulent Medical Referral Kickback Scam

The above subject matter refers.

We write concerning the above subject matter as a non-governmental organization and non-partisan human rights and development league with the mandate to protect and promote universally recognized human rights, accountability, and environmental justice in Nigeria and Africa, following international standards.

This petition is based on a report published on the 14th September 2020¹ shedding light on a 20-month investigation carried out by Premium Times revealing the criminal, multi-billion Naira fee-splitting, cut or rebate scheme in the healthcare sector in which medical laboratories hike the cost of medical tests by at least 20 percent, and as high as 35 percent which is later paid to the referring doctors or hospitals thereby defrauding patients through a fraudulent medical referral kickback scam.

According to the investigation, it was also reported that doctors and hospitals set up unsuspecting customers for medical diagnosis at laboratories they recommend and doctors prescribe tests patients do not need just so they can earn kickbacks from laboratories.

The undercover reporter from Premium Times posed as a physician, for over 20 months and also painstakingly sent people to do several medical tests in at least nine of the country's biggest medical laboratories using referral forms obtained from sales representatives of the diagnostic laboratories.

The following Medical laboratories were investigated by the reporter and found to be involved in this kickback scam using various mediums;

- a. Me Cure Healthcare
- b. Echolab

¹ <https://www.icirnigeria.org/investigation-kickbacks-for-referrals-how-nigerian-doctors-hospitals-diagnostic-centres-are-defrauding-patients/>

- c. Afriglobal
- d. VCare Diagnostics
- e. Vedic Lifecare Hospital
- f. Clinix Healthcare
- g. Union Diagnostics
- h. SYNLAB

The rebate or referral scam or kickback is appalling and should be visited with immediate action and investigation. The medical profession is a noble profession; the profession is being dented with this outrageous line of behaviour. According to the report, the rebate or cut scheme has remained entrenched in the healthcare sector, swindling patients of wads of Naira every year, in blatant disregards of the ethical concern and the criminal implication of the illicit practice.

The Rules of the Professional Conduct for Medical Laboratory Scientist, Laboratory Technicians and Laboratory Assistants (2018) prohibits deceit and extortion of patients. The rule relays that practitioners can be sentenced up to five years in prison if found guilty. **Section 17** of the Rules states:

"Any practitioner who extorts or engage in any act found to be incompatible with the ethics of practise of medical laboratory science with the purpose of extorting from the patient shall be in breach of the Rules of Professional Conduct and shall be guilty of malpractice".

"Any practitioner in breach of sub-rule (1) of this rule shall also be presumed to have contravened the relevant section of the Corrupt Practices and Other Related Offences Act in force and may be guilty of an offence of using his office or position for gratification and shall on conviction be liable to a fine of N100,000.00 or imprisonment for five (5) years for the purpose of these rules or both."

Similarly, **Section 33 of the Code of Medical Ethics of Nigeria** forbids doctors from deceiving their patients with the aim of extorting them.

"A practitioner who keeps a patient in the hospital as an in-patient when it is not necessary or longer than is necessary for good care, or who undertakes to carry out any form of 'ghost' procedure including 'ghost' and unnecessary investigations, for the sole purpose of increasing his earnings from the patient breaches the Code of Ethics and shall be guilty of malpractice."

Section 36 of the code also explicitly forbids the physicians from accepting kickbacks from laboratories, chemists and others. **"A practitioner must not circulate professional cards through chemists, opticians, optometrists or insurance agents; nor should he have any commission arrangement with a chemist, optician, optometrist, laboratory or dental technologist, nurse midwife, radiographer, dental therapist and other medical or dental para-professionals or' insurance agents."**

Also, Section 65 of the Code specifically prohibits medical practitioners from soliciting for "unwholesome transactions" such as "arrangement for fee-splitting, which is the practice by the managing practitioner of returning a part of the fee paid by the patient to the referring practitioner, or a third party, with or without the patient's knowledge," among other improper financial gratifications. The section of the code added that the "practice constitutes a threat to the best care of the patient because practitioners would tend to refer patients not to the practitioner with the best facility or skill demanded by the patient's condition, but to another practitioner who is ready to pay the highest return.

Right to life is fundamental for every citizen; acts of this nature can be tantamount to the deprivation of the right to life and healthcare. Healthcare ought to be affordable, however, devious schemes like these that involve the outrageous inflation of services related to healthcare can lead to loss of several lives. This is corruption beyond words and should be curbed with all sense of vigilance and appropriate sanction.

It is against this backdrop that we hereby request the Commission to invoke its powers as vested in Section 6(h) and Section 7(1(a)) of the Economic and Financial Crimes Commission (Establishment) Act 2004. Section 6(h) of the Act which states one of the functions of the Commission as the examination and investigation of all reported cases of economic and financial crimes to identify individuals, corporate bodies, or groups involved. Also, Section 7 (1(a)) of the Act states that the Commission has the power to cause investigations to be conducted as to whether any person, corporate body, or organization has committed an offence under this Act or other law relating to economic and financial crimes.

We write to demand investigation to be carried out into the above relayed allegations against the listed medical centres and hospitals with the aim of uncovering, penalizing and ridding the medical space of corruption. It is about sanctity and protection of lives.

Whilst we anticipate your prompt response and action, do accept our sincere regards

Thank you.

Yours faithfully



Olanrewaju Suraju
Chairman

