

A graphic of a microscope lens is positioned on the left side of the teal header bar. The lens is circular and contains a colorful, abstract pattern of overlapping green, yellow, and blue shapes, resembling a DNA helix or a molecular structure.

**HEALTH
CARE** *and you*

The New Health Care Law: Health Care Frauds and Scams

July 2010

AARP Webinar Leaders



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How Big is the Problem?

- Centers for Medicare and Medicaid Services loses \$65 billion to criminals each year
- National Health Care Anti-Fraud Association estimates that 3% of all health care spending is lost to fraud

Agenda

- Scams related to the new health care law
 - How to Spot
 - How to Report

- Fraud related to the health care system
 - How to Spot
 - How to Report

- New anti-fraud enforcement measures

Scams to Spot

“Help” getting the \$250 doughnut hole rebate check:

- New Law:
 - Check for people in the doughnut hole
 - Comes automatically
 - Don't have to apply
- Scam:
 - “I'll help you get your check”

Scams to Spot

Selling “new” insurance

- New Law
 - Temporary insurance for those without insurance and pre-existing conditions
 - Coverage for young adults
 - Exchanges
- Scam:
 - Selling door-to-door , over the phone, or by email
 - Claiming to be government representative
 - Some new programs not available until 2014

Scam Warning Signs

- “Need” new Medicare card
- “Limited time offer” sales pitch
- “Free information” post card

Scam Safety Tips

- No government representative sells insurance over the phone or door to door or by email
- Rely on official sources of information
- Slow down
- Check the facts
- Don't give out personal information

Scam Safety Tips

- Verify with whom you are dealing
- Get it in writing
- Check the licenses

Report Scams

- State insurance department
- State Attorney General
- Local law enforcement
- Medicare

Get questions answered

- State Health Insurance Counseling and Assistance Programs
- Medicare.gov
- www.aarp.org/getthefacts

How Health Care Fraud Happens

- “Up-coding”
- Undelivered services
- Paying kickbacks
- Stealing identities
- Mistreating patients

ATTORNEY GENERAL CUOMO ANNOUNCES ARRESTS IN MULTI-MILLION DOLLAR MEDICAID FRAUD SCHEME RUN OUT OF THREE NEW YORK CITY DENTAL CLINICS

Defendants Allegedly Stole \$5.7 Million From Medicaid Fund

NEW YORK, N.Y. (June 2, 2010)

The xxxx and xxxx paid recruiters, known as “flyer boys”, to bring Medicaid recipients to the clinics, and paid the recipients to get treatment, whether medically necessary or not. The Medicaid recipients were sometimes brought to the clinics from homeless shelters, and were paid cash as well as gifts such as CD players and McDonald’s gift certificates. In terms of the “flyer boys,” the more Medicaid recipients they brought in, the higher the pay.

The operation employed dozens of dentists who were often required to pay two thirds of their Medicaid billings to the defendants. It is alleged that xxxx, a high-billing dentist in the clinics, actively exhorted the flyer-boys “to go out and get more patients.”

Office of the Nevada Attorney General
FOR IMMEDIATE RELEASE
DATE: June 2, 2010

WORKER SENTENCED FOR MEDICAID FRAUD

...The investigation began in 2008 after information was obtained that personal care aid services were not being provided to a Medicaid recipient. Medicaid has a personal care aid program to keep people living independently in their own homes by providing basic services, including bathing, dressing, house cleaning and meal preparation. Medicaid contracts with home care companies that in turn employ individuals to provide the actual day-to-day care. The investigation developed information that xxx was not at a patient's home for the time periods she claimed to be providing services.

District Court Judge Y sentenced xxx to 60 days in jail, suspended, 120 hours of community service, payment of \$15,300.00 in restitution, penalties, and costs, plus 5 years probation.

TRENTON, June 1, 2010: New Jersey Attorney General Paula T. Dow and Division of Criminal Justice Director Stephen J. Taylor announced that a Hoboken pharmacist pleaded guilty today for his role in a scheme to defraud the Medicaid program.

In pleading guilty, xxx, a pharmacist in charge at xxx Drugs, admitted that between Jan. 1 and Oct. 9, 2009, he submitted claims to the Medicaid program for prescription drugs allegedly dispensed to Medicaid beneficiaries, even though the prescription drugs were never dispensed. The claims were subsequently paid out by the Medicaid program.

The investigation by the Medicaid Fraud Control Unit of the Office of the Insurance Fraud Prosecutor revealed that xxxx accepted fictitious prescriptions for Prevacid, Advair and Singulair from undercover Detectives as payment for narcotic prescription drugs. xxxx then billed and was paid by Medicaid for the Prevacid, Advair and Singulair even though the prescriptions were not filled or dispensed.

Former State Employee Charged In “Double-Dip” Scheme To Defraud Medicaid

May 27, 2010 -- ... According to the arrest warrant affidavit, Mr. xxxx was a full-time employee of the Connecticut Department of Developmental Services while also engaged in private practice as a licensed clinical social worker.

A 2007 DSS audit disclosed that Mr. xxxx had billed the Medicaid program for professional services he claimed to have rendered during the same time that he was being paid for his work as a state employee, the warrant alleges. Between January 2006 and December 2007, Mr. xxxx collected his state salary and also submitted claims to Medicaid for private professional services totaling \$166,798.99.

AG's Office Gets 4 Indictments for Medicaid Fraud

Sunday, May 02, 2010

(ALBUQUERQUE)---New Mexico Attorney General Gary King's Medicaid Fraud and Elder Abuse (MFEA) Division succeeded in obtaining grand jury indictments on 26 felony charges against three individuals and one business in an alleged long-term Medicaid fraud scheme.

... Defendant xxx is accused of fraudulently billing the New Mexico Medicaid program for counseling services she never provided. She allegedly billed the state for 54 hours of counseling in a single day.

AG's Medicaid fraud investigators recover for NC

Release date: 4/28/2010

....

xxx previously worked as an officer manager for xxx, a company that provides ambulance services. Investigators discovered that from 2006 to 2008, xxx unlawfully billed Medicare and Medicaid for more than \$650,000 by submitting false claims for ambulance trips to take clients to and from dialysis treatments. Patients were usually transported to routine dialysis treatments by van, but xxx repeatedly falsified trip records and related documents to make it appear that patients needed to be taken by ambulance for medical reasons. ...

On March 23, a United States District Court judge sentenced xxx to 46 months in prison followed by three years of supervised release. Under a plea agreement, xxx will also pay \$677,272 in restitution to Medicare and Medicaid.

Missouri Attorney General's Press Release

March 23, 2010

Koster says Joplin dentist sentenced for 13 felony counts of Medicaid fraud --must repay state \$550,000--


Xxx submitted fraudulent billings for procedures such as x-rays, root canals, and resin-based composite restorations he did not perform.

Xxx tried to conceal his false claims by creating false dental records, physically cutting off portions of dental records and taking x-rays from one patient's file and putting it in another. xxx came under investigation because a citizen reported her suspicions that he was committing fraud.

What You Can do to Prevent Fraud

- Stay smart about your health care
- Read your billing statement

How to Read Your MSN



CENTERS for MEDICARE & MEDICAID SERVICES

Medicare Summary Notice

June 16, 2006

2 CUSTOMER SERVICE INFORMATION

3 **Your Medicare Number: 111-11-1111-A**

If you have questions, write or call:
 Medicare (#12345)
 555 Medicare Blvd.
 Suite 200
 Medicare Building
 Medicare, US XXXXX-XXXX

Call: 1-800-MEDICARE (1-800-633-4227)
Ask For Doctor Services
 TTY users should call: 1-877-486-2048.

4 Name
 Street Address
 City, State ZIP Code

5 **BE INFORMED:** Protect your Medicare Number as you would a credit card number.

This is a summary of claims processed from 5/15/06 through 8/15/06.

6 **PART B MEDICAL INSURANCE - ASSIGNED CLAIMS**

Dates of Service	Services Provided	Amount Charged	Medicare Approved	Medicare Paid Provider	You May Be Billed	See Notes Section
7 Claim number 12345-84956-84556		10	11	12	13	14
8 Doctor name, Street Address, City, State ZIP Code		\$55.00	\$44.35	\$0.00	\$44.35	a
9 04/07/06	1 Office/Outpatient Visit, ES (99214)					b

15 **THIS IS NOT A BILL** – Keep this notice for your records.

What You Can do to Prevent Fraud

➤ Ask:

- Are there charges for something you didn't get?
- Are there charges for services that are not medically necessary?
- Were you billed for the same thing more than once?

What You Can do to Prevent Fraud

- Contact the provider—it might be an innocent mistake
- Report to authorities—it might not!

Tips to Avoid Fraud

- Keep your personal medical information from the wrong hands
 - Only carry your Medicare card when you are going to a doctor's appointment, a hospital or clinic, or pharmacy
 - Never sign blank insurance claim forms
 - Be alert to “free” medical services

Where to Report Fraud

➤ Medicare

- Call: 1-800-Medicare (1-800-633-4227)
- Report Fraud to the Inspector General
email: HHSTips@oig.hhs.gov
Call: 1-800-HHS-TIPS / (1-800-447-8477)
www.stopmedicarefraud.gov

➤ Your Insurance Company's Fraud Division

- Phone number on EOB

➤ Senior Medicare Patrol

- 1-877-808-2468
- www.smpresource.org

➤ State Attorney General

- www.naag.org

➤ State Insurance Department

- www.naic.org

Fraud Enforcement

- HEAT - Health Care Fraud Prevention and Enforcement Action Team
- Double size of Senior Medicare Patrol
- More inter-agency cooperation

For More Information

- On the new health care law
www.aarp.org/getthefacts
www.aarp.org/consigarespuestas
- Visit www.healthcare.gov
- Visit www.stopmedicarefraud.gov
- Call 1-800-MEDICARE (1-800-633-4227)

Thank You!

www.aarp.org/getthefacts

www.aarp.org/healthlawwebinars