

Medicare Fraud: Detection and Prevention



Virginia Kroger, Program Manager
HICAP San Mateo County/Self-Help for the Elderly



HICAP of San Mateo County

- **Health Insurance Counseling and Advocacy Program**
- **Provide free, unbiased and individual Medicare counseling & community education**
- **Counselors are state registered and certified**
- **HICAP does not sell or endorse any plans**
- **Appointments in person and by phone**
- **Assists with reporting incidents of Medicare fraud**

What is the Senior Medicare Patrol?

SMPs...

Help Medicare and Medicaid beneficiaries prevent, detect and report health care fraud

Protect older persons and help preserve the integrity of the Medicare and Medicaid programs

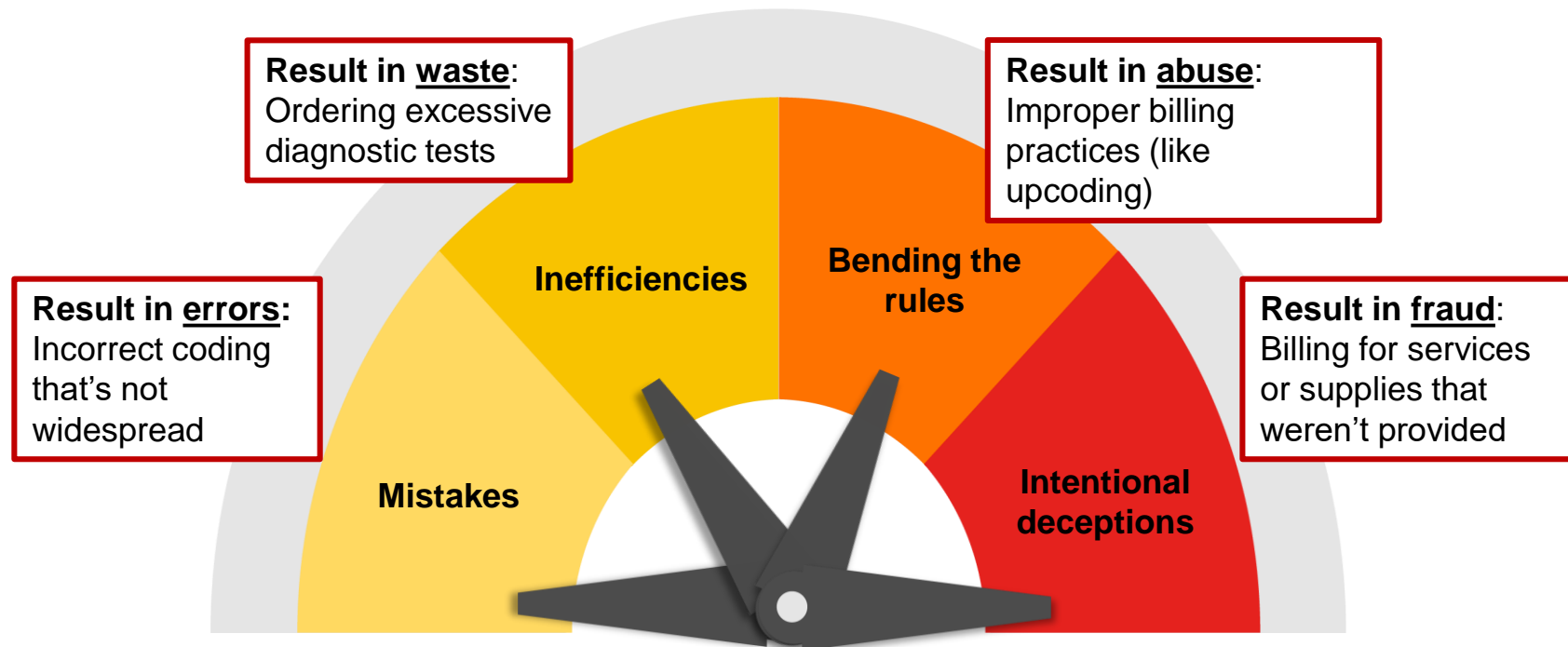
Rely on volunteers to help perform SMP work

Session Objectives

- **Define abuse & fraud in Medicare**
- **Identify examples**
- **Protect yourself: 3 steps**

Medicare Fraud Costs!

- **Estimated \$60 Billion lost annually – false Medicare claims**
- **Medicare trust fund at risk**
- **Beneficiaries pay higher premiums**
- **Less money for needed benefits**
- **Quality of treatment**



★ **NOTE:** Since fraud is ultimately determined by our judicial system, typically we note “potential fraud” until the judicial system has made a decision.

Medicare and Medicaid Fraud, Waste, and Abuse
Prevention

Potential Forms of Medicare Fraud



UPCODING: providers seek payment for higher and more expensive medical services than those that were actually performed



OVERBILLING: charging inflated prices for medications or for medications that were not actually provided



KICKBACKS: making improper financial incentives for the referrals for Medicare patients



UNNECESSARY PROCEDURES: ordering unnecessary (and often expensive) medical procedures to be billed to Medicare in order to boost profits

Fraudulent Calls

“Your Medicare card is about to expire. You need to confirm your number so we can send you a new one.”



“You are eligible for Medicare Part B, but if you don’t enroll right now, you will face a lifetime penalty!”

“Our records indicate you are entitled to additional benefits that many on Medicare do not claim. These include an additional \$148.50 added back to your social security check. Give us your Medicare number...”

Durable Medical Equipment Scams

- **Telemarketer calls beneficiary saying his doctor ordered a brace for him & *says it's free, and 100% covered by Medicare***
- **Beneficiary must provide his Medicare # & personal info = identity will be compromised**
- **If beneficiary receives product, it is likely of inferior quality**
- **He will likely owe money to DME supplier, if it is a legitimate claim**
- **PCP will order and supply any DME needed**

Paper or Plastic?

Medicare cards are only paper. Plastic cards are not really from Medicare and could cost you your identity.



Preventing Medicare Fraud



SMPRESOURCE.ORG



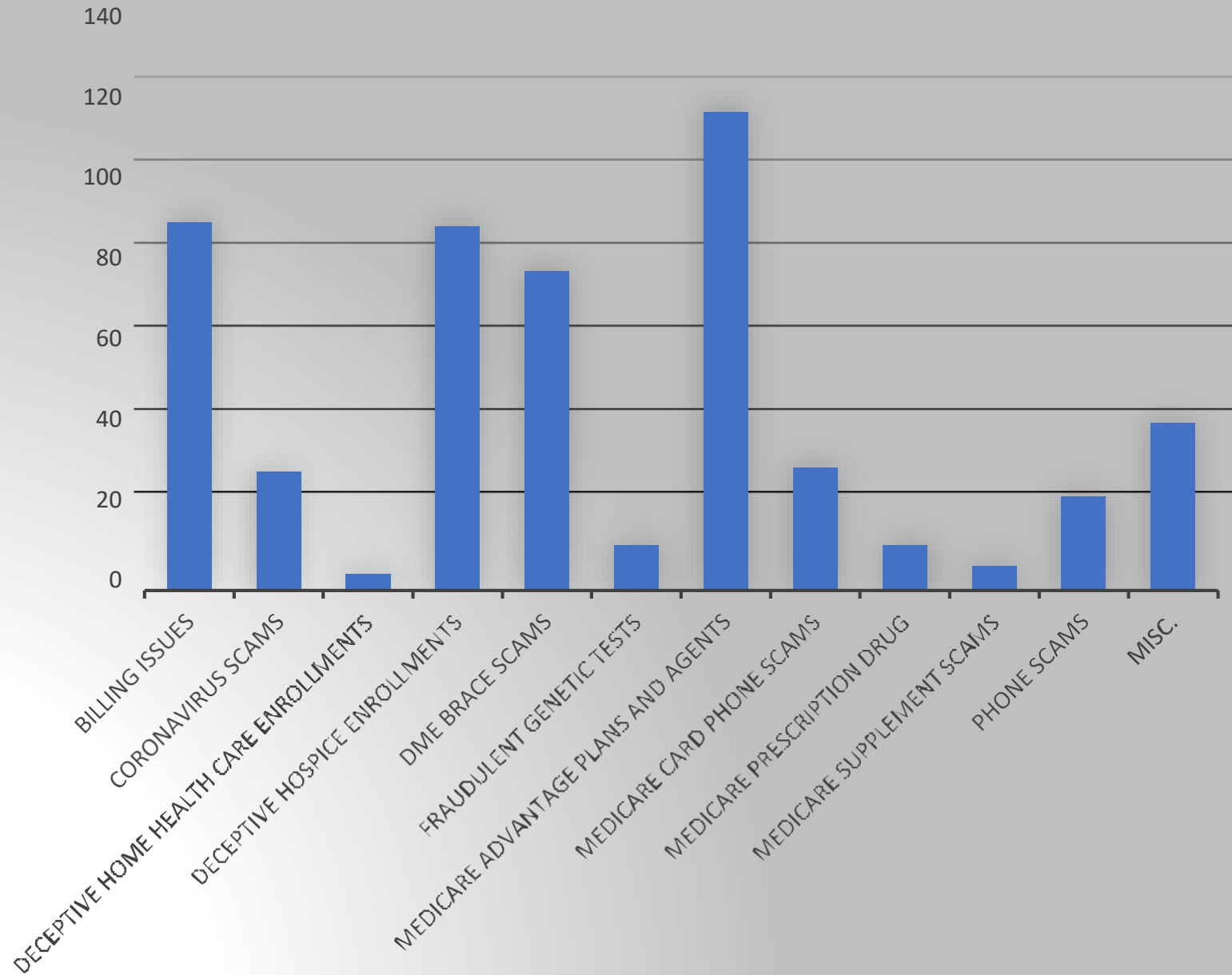
877.808.2468

Medicare Card Scams

- In 2018, Medicare removed Social Security numbers
- ***If someone calls you claiming:***
 - ***Medicare is switching to plastic cards with a chip***
 - ***It's a new year and you need a new card***
 - ***They need to verify your Medicare number to confirm you have the correct card or to send you a new one.....***
 - ***You need a black and white card...(you can print your own!)***

Medicare Card Scams

- **DO NOT** confirm your Medicare number or answer “YES” to any question
- **GUARD** your Medicare card and number like a credit card!
- **Don’t** share your number, make copies, laminate it, or loan it to anyone else
- **Keep** it in its original format and store in safe place – **don’t** carry with you



Medicare Part C and D Violations

- **Ask for Medicare #/info unsolicited**
- **Call you unless you already have plan with them or enroll you unless you call them**
- **Come to your home uninvited**
- **Steer you to a certain plan**
- **Make qualitative exaggerated statements (“the best plan” or “highest ranked”)**
- **Ask for payment over phone. Must send bill.**
- **Sell you a non-health related product while trying to sell you a Medicare plan**

Hospital System Agrees to Pay \$22.7 Million

April 15, 2022

Providence Health & Services Washington has agreed to pay **\$22,690,458** to resolve allegations that it fraudulently billed for **medically unnecessary neurosurgery procedures.**



Staff reported **false and exaggerated diagnoses** (by 2 doctors) that resulted in overbilling insurance providers, including Medicare.

Hospice Fraud

- Enrolled in hospice without permission/consent
- Falsely certified/failed to obtain doctor's order
- Received inadequate services
- Embezzled, abused or neglected patient
- Medication theft
- Billed for higher level of care than provided
- Services/DME not received
- Medicare stops paying for legitimate claims
- Prescriptions on hold/surgeries/visits cancelled
- Beneficiary left with expensive bills
- Beneficiary cannot get preventive care

Medicare now covers:
cooking & cleaning
services

**Additional
benefits:**

DME, shakes,
coupons

Age:
You're old
enough to
qualify
for
hospice.

**Hospice
Recruitment
Tactics:**



\$:
You can earn
\$400/month if you
agree to enroll
into our program.

COVID:
nurse visits
at home,
free hand
sanitizer,
gloves,
and masks

Doctor Convicted of \$2.8 Million Hospice Scheme

- **Doctor** convicted for his role in a scheme to **defraud Medicare** by billing \$2.8 million for hospice services patients did not need.
- As medical director of several hospice companies, he **fraudulently certified** Medicare patients as having terminal illnesses so his hospice agency could bill Medicare for hospice services.

Medicare Scams

- Most often in-person or on phone
- Texts or emails - phishing for info
- Less often online
- Some social media – COVID/genetic/braces
- Solicitation events
- Ads – direct mail, TV, newspaper
- Most Ads during open enrollment
- Overall: 99% of scams - in-person or by phone (SMP)

Popular Scam Tactics

- **Unexpected contact**
- **Urgent need to act – high pressure**
- **Offer something free in exchange for your information**
- **Demanding/incessant questioning for your information**
- **Unusual level of knowledge about you**
- **Threatening loss of health coverage**

What You Can Do To Protect Yourself

You Can **Stop** Fraud

Protect

Detect

Report

Step 1: Protect

DO

- Do treat your Medicare card and number like your credit cards.
- Do watch out for identity theft.
- Do be aware that Medicare doesn't call or visit to sell you anything.

DON'T

- Don't give out your Medicare number except to your doctor or other Medicare provider.
- Don't carry your Medicare card unless you will need it.

Step 2: Detect

- Enroll in account on Medicare.gov
- Use your Personal Healthcare Journal or calendar to review appointments
- Review your Medicare Summary Notice (MSNs):
- Services not ordered/received
- Double-billing
- Remember that nothing is “free” or “free if you have Medicare”
- Don’t accept offers of money or gifts for free medical care
- Don’t be influenced by media advertising



Red Flags on an MSN

Help prevent Medicare fraud by checking these things

Anita Doe

THIS IS NOT A BILL | Page 4 of 5

November 28, 2019

Leo Zygelman, CH, (555) 555-123

200 West Center St, Manchester CT 06040-0000

Is this a provider you know?

Service Provided & Billing Code	Service Approved?	Amount Provider Charged	Medicare-Approved Amount	Medicare Paid You	Maximum You May Be Billed	See Notes Below
Chiropractic manipulative treatment, 3 to 4 spinal regions (98941-GA)	NO	\$40.00	\$0.00	\$0.00	\$40.00	D
Total for Claim #02-11040-307-640			\$0.00	\$0.00	\$40.00	E

Did you receive services on this day?

December 25, 2019

Joshua Richards, M.D., (555) 555-1234

848 Scioto St, Urbana, OH 43078-2255

If you live in CT, did you really receive services in OH?

Service Provided & Billing Code	Service Approved?	Amount Provider Charged	Medicare-Approved Amount	Medicare Paid You	Maximum You May Be Billed	See Notes Below
Established patient office or other outpatient visit (98213-GA)				00	\$0.00	F,G
Total for Claim #02-11040-517-100				00	\$0.00	E

Do any services appear twice when they shouldn't?

Step 3: Report

**California Senior Medicare Patrol:
1-855-613-7080**

**HICAP of San Mateo County:
650-627-9350**

**Medicare: 1-800-Medicare:
1-800-633-4227**

**Medi-Cal Fraud Hotline:
1-800-822-6222**

**Federal Trade Commission ID Theft Hotline:
1-877-438-4338**



Key Points to Remember

- ✓ **Guard Your Card!**
- ✓ Medicare is **NEVER** going to call you & offer goods or services in exchange for your information
- ✓ You can fight fraud and abuse with the 3 steps:
- ✓ ***Protect, Detect & Report***

Call HICAP Today!

650-627-9350

