

# Financial Exploitation and Medicare Fraud Prevention

Georgia Burke, Justice in Aging

Micki Nozaki, California Senior Medicare Patrol

**July 18, 2018**



# Housekeeping

- All on mute. Use Questions function for substantive questions and for technical concerns.
- Problems getting on the webinar? Send an e-mail to [NCLER@acl.hhs.gov](mailto:NCLER@acl.hhs.gov).
- Written materials and a recording will be available at [NCLER.acl.gov](http://NCLER.acl.gov). See also the chat box for this web address.

# About NCLER

The National Center on Law and Elder Rights (NCLER) provides the legal services and aging and disability communities with the tools and resources they need to serve older adults with the greatest economic and social needs. A centralized, one-stop shop for legal assistance, NCLER provides Legal Training, Case Consultations, and Technical Assistance on Legal Systems Development. Justice in Aging administers the NCLER through a contract with the Administration for Community Living's Administration on Aging.

# About Justice in Aging

Justice in Aging is a national organization that uses the power of law to fight senior poverty by securing access to affordable health care, economic security, and the courts for older adults with limited resources.

Since 1972 we've focused our efforts primarily on populations that have traditionally lacked legal protection such as women, people of color, LGBT individuals, and people with limited English proficiency.

# About California Health Advocates and Senior Medicare Patrol

## ***California Health Advocates (CHA)***

Founded in 1997, Medicare advocacy and education non-profit in California. We advocate for Medicare beneficiaries and their families; conduct public policy research; and provide accurate and up-to-date Medicare information.

## ***Senior Medicare Patrol (SMP)***

California SMP is a project under CHA. **(1) Education:** presentations to groups and exhibit at fairs and events; **(2) Counseling:** one-on-one with Medicare beneficiaries to protect older adults' health benefits, finances and medical identity while saving Medicare dollars; and **(3) Assisting:** Medicare beneficiaries, caregivers and family members when they bring their concerns or complaints to the SMP.

# Medicare Fraud Prevention

# Key Lessons

1. Medicare loses \$60-\$90 billion every year to fraud, errors and abuse.
2. Medicare beneficiaries are victims of Medicare fraud.
3. There are health care consequences to Medicare fraud.
4. Beneficiaries may be denied benefits due to fraud.
5. Medicare fraud, errors and abuse can result in higher out-of-pocket costs.
6. Criminal fraudsters lie, cheat and steal.
7. Medicare is huge, complicated, not well-understood.

## A National Perspective

**71 Million Medicare Beneficiaries**

**One Billion+ Medicare Claims  
Processed Annually**

**Total Medicare Benefits - \$702 Billion**

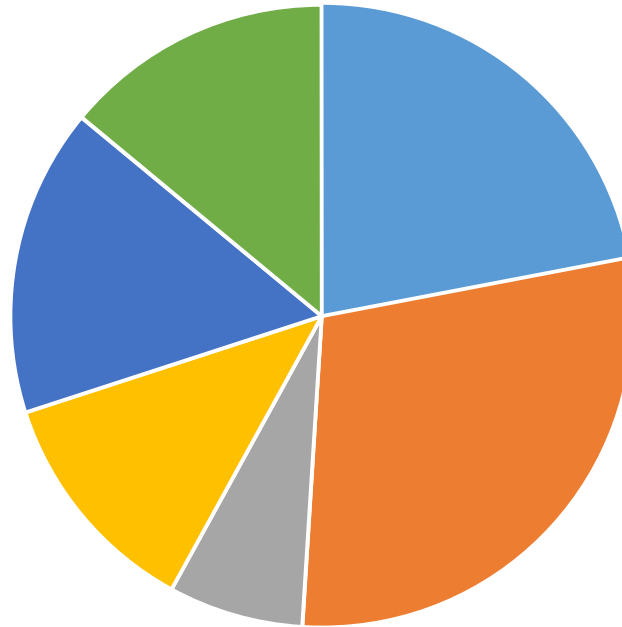
**Medicare Spending - \$1.3 Trillion by  
2028**



# Perpetrators of Medicare Fraud

- Fata MD – Oncologist - \$100 million
  - Medically un-necessary chemotherapy
- Melgen MD – Eye Doctor - \$73 million
  - Unwarranted, torturous retinal laser blasts
- CEO, 4 MDs – Michigan, Ohio - \$200 million
  - Un-necessary meds, pain management shots
  - Kickbacks
- Konell – Florida - \$63 million
  - Referred patients for mental health treatments
  - Kickbacks

## Senior Medicare Patrol Fraud Complaints January - June 2018



- DME Fraud
- Insurance Agent Misconduct
- New Medicare card Scams
- Hospice Fraud
- Questionable Billing
- Other Types of Fraud

# Durable Medical Equipment Fraud

- TV infomercials and newspaper ads
- “Free equipment only a phone call away”
- “Medicare pays 100%”
- “No need to bother your doctor”
- No equipment received OR too many supplies
- Beneficiary billed for co-pays

# Insurance Agent Misconduct

- Medicare Advantage Plans (Medicare Part C)
- CMS Marketing Guidelines
- Beneficiaries enticed by lower prices, extra benefits
- Tricked into enrolling - “You have to change”
- Providers ‘house’ agents in their office
- Beneficiaries lose access to providers, meds

# Hospice Fraud

- Enticed by free milk, groceries
- Enroll your loved one – get respite for yourself
- Goal of home health and hospice – treat & discharge
- Flip between home health & hospice
- Comfort care, not curative care (e.g. chemo, hip replacement)
- Beneficiaries at risk for future use of benefits

# New Medicare Card Scam

- New Medicare card rollout (2018-2019)
- Removes social security number
- No charge for new card
- No disruption in benefits
- No need for beneficiary to do anything
- Shred old card
- To carry or not to carry?

# Tips for Beneficiaries

- Keep a calendar of medical visits, reasons
- Review medical statements, MSNs and EOBs
- Don't disclose SSNs, personal health information
- No need to change health plans annually
  - HICAPs in every county (SHIPs in other states)
- Coverage based on medical necessity, doctor Rx
- No charge for new Medicare card
- Participating in fraud puts benefits, health at risk

# Visit Our Website: [www.cahealthadvocates.org](http://www.cahealthadvocates.org)

- Sign up for our blog, newsletter, webinars
- Request educational resources
- Schedule an in-person group education
- Receive Medicare fraud alerts
- CHA
  - Medicare training
  - Medicare Fact Sheets



## We Are California Health Advocates

The leading non-profit focused on Medicare advocacy and education in California. We provide timely information on Medicare and long-term care, and conduct state and national policy advocacy for increased consumer rights and protections.

[Learn More](#)



## SMP Empowering Seniors

Senior Medicare Patrol (SMP) helps Medicare beneficiaries avoid, detect and report health care fraud. Fueled by volunteers, this nationwide program empowers seniors through one-on-one counseling, advocacy, outreach and peer education.

## What's New

- [Fraud Alert! New Medicare Cards Coming in CA ~ Beware of Scams](#)

**COMING IN 2018!**

**New Medicare cards with new numbers. Are you ready?**  
#NewCardNewNumber  
[LEARN MORE](#)

- [Equitable Relief Extended Till Sept 2018 for Beneficiaries Dually Enrolled in Medicare & Marketplace](#)
- [Speaking Out Against Senior Scams Senate Aging Committee](#)

## Latest News



# SMP Resources

**Your New Medicare Card**

- Your new Medicare card will not include a Social Security number.
- New number, new card, same benefits.
- No cost to you.
- Update your current address with Social Security at: [ssa.gov/myaccount](http://ssa.gov/myaccount) or call 1-800-772-1213.
- Your new card will be mailed to you. Medicare will not call you about your new card or number.
- After you receive your new card, shred your old card.

**FRAUD ALERT!**  
New Card = New Scams

- Scammers may try to convince you they are from Medicare. Medicare will not call you or visit you in person. All Medicare communication will be through the mail!

**Will Be Mailed Between April 2018 & April 2019**

California **SMP** Senior Medicare Patrol  
Empowering Seniors To Prevent Healthcare Fraud

1-855-613-7080

English: Your New Medicare Card

Spanish: Su nueva tarjeta Medicare

Tagalog: Ilapadala Ang Inyong Bagong Medicare Card

Chinese: 您的 Medicare 卡

Korean: 귀하의 새 메디케어 카드가

Hmong: Koj Daim Npav Medicare Tshiab

Armenian: Ձեր նոր մեդիկար քարտը

Vietnamese: Thẻ Medicare Mới

Russian: Ваша новая Медикар Карта

Punjabi: ਤੁਹਾਡਾ ਨਵਾਂ Medicare ਕਾਰਡ

Yvav Muab Xa Tuaj Thaum Lub Plaub Hlis 2018 & Lub Plaub Hlis 2019

Sẽ Được Gửi Di Trong Khoảng Giữa Tháng Tư 2018 và Tháng Tư 2019

бюджет послана по почте с апреля 2018 по апрель 2019

ਅਪਰੈਲ 2018 ਅਤੇ ਅਪਰੈਲ 2019 ਏ ਵਚਿਕਾਰ ਡਾਕ ਰਾਹੀਂ ਭੇਜਿਆ ਜਾਵੇ ਗਾ

California **SMP** Senior Medicare Patrol  
Empowering Seniors To Prevent Healthcare Fraud

1-855-613-7080



**Avoid Medicare Marketing SCAMS!**

Do not accept unsolicited Medicare marketing information from anyone who is not a Medicare agent.

For support, contact your local Senior Medicare Patrol (SMP) at 1-855-613-7080

**Betty & the Greedy Agent**

# Improper Billing of Qualified Medicare Beneficiaries

# Improper Billing: The Issue

- Doctors or other providers charge individuals for deductibles, co-insurance or managed care co-pays for Medicare Part A or Part B services
- Qualified Medicare Beneficiaries cannot be billed for Medicare cost-sharing.
- Medicare providers who bill QMBs violate their agreement with CMS and federal law.\*
- Protection applies for both Original Medicare and Medicare Advantage

\*42 U.S.C. sec. 1396a(n)(3)(B)

# Improper Billing: Who's Protected

- Qualified Medicare Beneficiaries (QMBs)
- Usually income  $\leq$ 100% Federal Poverty Level
- Most QMBs are also dual eligibles—full Medicaid/Medicare. Called QMB+
- Some QMBs do not qualify for full Medicaid. Called QMB-only

# Improper Billing: Typical Scenarios Involving QMBs

- Mrs. A sees Dr. Jones, a cardiologist who only takes Medicare, not Medicaid. \$200 charge. Medicare pays \$160. Dr. Jones bills Mrs. A \$40.
- Mr. B goes to Dr. Smith, who is in his Medicare Advantage plan network. Office staff collects a \$20 co-pay every time before he sees Dr. Smith.
- Mrs. C makes an appointment with Dr. Miller. Dr. Miller tells Mrs. C that she will only accept her as a patient if Mrs. C waives her protections and agrees to pay what Medicare doesn't cover.

# Fighting Improper Billing—New Tools

- Original Medicare: Medicare Summary Notice for a QMB shows zero liability.
- Provider remittance advice (RA) also shows no liability.
- Started July 2
- Provider can also check QMB status through HEDIS
- Tell us any problems you see!

# Improper Billing: Sample MSN

## Notice for Jennifer Washington

Medicare Number	XXX-XX-1234A
Date of This Notice	September 16, 2017
Claims Processed Between	June 15 – September 15, 2017

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## Your Deductible Status

Your deductible is what you must pay for most health services before Medicare begins to pay.

**Part B Deductible:** You have now met **\$85.00** of your **\$109.00** deductible for 2017.

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## Be Informed!

This notice contains claims covered by the Qualified Medicare Beneficiary (QMB) program, which pays your Medicare costs. When you're enrolled in the QMB program, providers and suppliers who accept Medicare aren't allowed to bill you for Medicare deductibles, coinsurance, and copayments.

## Your Claims & Costs This Period

Did Medicare Approve All Services?	Yes
Number of Services Medicare Denied	0

See claims starting on page 3.

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Total You May Be Billed	\$0.00
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## Providers with Claims This Period

June 18, 2017  
**Susan Jones, M.D.**

June 28, 2017  
**Craig I. Secosan, M.D.**

June 29 – June 30, 2017  
**Edward J. Mcginley M.D.**

# Improper Billing: Sample MSN

**June 18, 2017**

**Dr. Susan Jones, M.D., (555) 555-1234**

Brevard County Physical Therapy Center, 32 Main Street, Brevard, NC 28712-4187

Service Provided & Billing Code	Service Approved?	Amount Provider Charged	Medicare-Approved Amount	Amount Medicare Paid	Maximum You May Be Billed	See Notes Below
Therapeutic exercise to develop strength, endurance, range of motion, and flexibility, each 15 minut (97110)	Yes	\$45.00	\$28.54	\$22.83	\$0.00	
<b>Total for Claim #02-10195-592-677</b>		\$45.00	\$28.54	\$22.83	\$0.00	<b>A</b>

## Notes for Claims Above

- A** You're in the Qualified Medicare Beneficiary (QMB) program, which pays your Medicare costs. Health care providers who accept Medicare can't bill you for the Medicare costs for this item or service, but you may be charged a small Medicaid copay.



# Fighting Improper Billing—New Tools

- Provider can also check QMB status through HEDIS
- Tell us any problems you see!

# Fighting Improper Billing—Medicare Advantage

- Medicare Advantage: Contact the plan. MA plans are responsible for fixing the problem. Ask for a review of earlier payment. MA provider may not deny services because of billing protections.

# Tips To Fight Improper Billing of QMBs

- Use resources from Justice in Aging's [improper billing toolkit](#).
- 1-800-MEDICARE can help escalate individual cases when appropriate.
- Contact Justice in Aging for technical assistance and systemic issues.
- Don't pay!

# Improper Billing: Systemic Issues

- Provider group or MA plan that consistently violates improper billing rules?
- Problems with new MSN system?
- Widespread denial of services by providers?

**Let Justice in Aging know!**

# Additional Resources

- Micki Nozaki, Director, Senior Medicare Patrol, [mnozaki@cahealthadvocates.org](mailto:mnozaki@cahealthadvocates.org)
- California Health Advocates, [www.cahealthadvocates.org](http://www.cahealthadvocates.org)
- Center for Medicare and Medicaid Services, 1-800-MEDICARE (1-800-633-4227), [www.medicare.gov](http://www.medicare.gov)
- Health Insurance Counseling and Advocacy Programs (HICAP), for free, unbiased Medicare information; agencies are in all counties in California, 800-434-0222
- [Justice in Aging Improper Billing Resources](#)
  - [Administrative Beneficiary Notices, Administrative Fees and Dual Eligibles](#)
  - [QMB Identification Practices: A Survey of State Practices](#)
  - [Fighting Improper Billing of Dual Eligibles: New Strategies](#)

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# Case Consultations

Case consultation assistance is available for attorneys and professionals seeking more information to help older adults. Contact NCLER at [ConsultNCLER@acl.hhs.gov](mailto:ConsultNCLER@acl.hhs.gov).