



TOP 5 FINANCIAL SCAMS TARGETING SENIORS

MEDICARE / HEALTH INSURANCE SCAMS

- Scammers pose as Medicare reps to get personal information
- Scammers provide bogus services from mobile clinics to charge Medicare

COUNTERFEIT PRESCRIPTION DRUGS

- Scammers sell unsafe substances on the internet as specialized medications at a cheaper price to entice seniors to purchase them online instead of at a pharmacy

FUNERAL & CEMETERY SCAMS

- Scammers call claiming the deceased had debt you need to pay.
- Funeral home directors insist an expensive display or burial casket is necessary even for a cremation.

FRAUDULENT ANTI-AGING PRODUCTS

- Fake botox treatments
- Bogus homeopathic remedies that don't actually do anything

TELEMARKETING/PHONE SCAMS

- Scammers pose as a family member in need of money
- Fake charities -especially after natural disasters



Genetic Testing is **NEVER** free

**Don't fall victim to the newest scam
targeting Medicare beneficiaries.**

While genetic testing is a legitimate service, it is not always covered by Medicare. Scammers are offering "free" genetic testing and screenings for cancer and other diseases- claiming that these tests are "paid for by Medicare." Sadly, you'll never get the results. Even worse, *you or Medicare could be responsible for tens of thousands of dollars.*

What you need to know:

- ***Do not give out your Medicare number or Social Security number.*** Be cautious of unsolicited requests for this information. If your personal information is compromised, it may be used in other fraud schemes.
- ***Never consent to any lab tests at senior centers, health fairs, or in your home.*** Be suspicious of anyone claiming that genetic tests and cancer screenings are "free" or "covered by Medicare."
- ***If you need genetic testing,*** always work with your doctor. Medicare only covers genetic tests that are ***medically necessary*** and were ordered by your primary physician.
- ***Monitor your Medicare Summary Notice*** to see if there are any services you did not receive (or if you were billed for services that you can't identify).

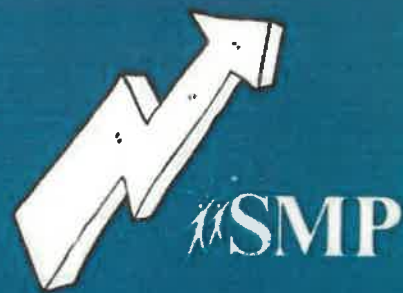
**If you think scammers may have targeted you,
please contact your local SHINE/SMP program. For a
program near you visit www.floridashine.org.**

(1-800-96-ELDER)



FRAUD TRENDS

TV and internet ads



Disregard ads offering free back or knee braces.
If you need a brace or any other medical device, see your doctor.
If it sounds too good to be true, it probably is.
Watch out for "secret formulas" or "medical breakthroughs."



Free Back and Knee Braces

The brace is not free. Medicare is billed and possibly the beneficiary, too. The fine print also may state that by calling you are giving permission to be called.

Products that Cure Diseases

Be wary of products that claim to cure a wide variety of illnesses—particularly serious ones—that don't appear to be related.



Reverse Mortgage Scam

Reverse mortgages are legitimate, however, scammers may use them to steal the equity from the property of unsuspecting senior citizens or to use these seniors to unwittingly aid the fraudsters in stealing equity from a flipped property.



Anti-Aging Products

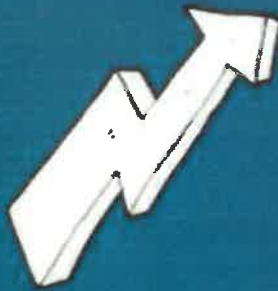
Fraudulent cosmetics may contain known carcinogens. Research thoroughly before buying and check with the BBB for complaints.



If you see it, report it!

To report Medicare fraud related to braces, contact your local SMP at www.smpresource.org. To report a reverse mortgage scam or file a complaint about fraudulent products, contact the FBI at <https://tips.fbi.gov>.

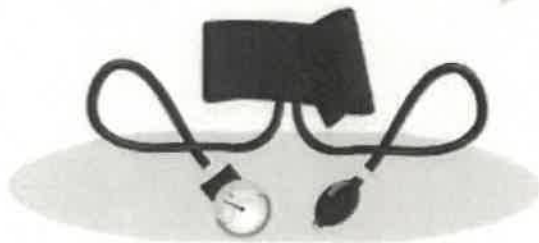
FRAUD TRENDS



In-person Scams

Medicare Services Scam •

Someone poses as a Medicare representative to provide bogus services and then bills Medicare and pockets the money.



• Medicare Marketing Scam

After a beneficiary declines a Medicare Advantage plan, a fraudulent sales representative signs the beneficiary up for the plan without their knowledge or consent.

Annual Wellness Exam Scam •

Vendors set up at senior centers or churches providing screenings, but bill Medicare for an annual wellness visits unbeknownst to the beneficiaries.



• Hospice Scam

Recruiters go door to door pitching fraudulent schemes, luring healthy patients to sign up for hospice in exchange for free housecleaning and medicine.

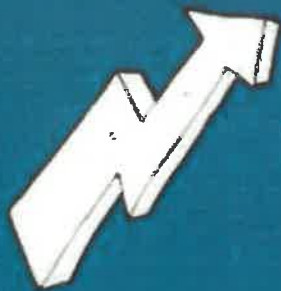
If you see it, report it!

Report Medicare scams to your local SMP (1-877-808-2468).

© 2017 American Society on Aging. All rights reserved. This document is for informational purposes only and does not constitute an offer of insurance or any other financial product. Please consult your financial advisor for more information. The information contained herein is not intended to be used as a basis for any investment decision. The information contained herein is not intended to be used as a basis for any investment decision. The information contained herein is not intended to be used as a basis for any investment decision.



FRAUD TRENDS



Telephone Scams

Medicare Scam •

Someone calls offering free equipment or services in exchange for your Medicare information.

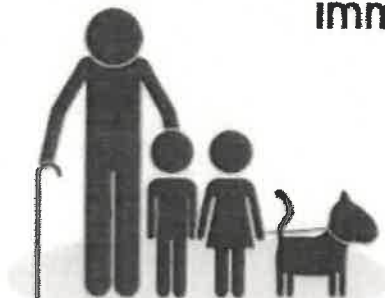


• Social Security Spoofing

Scammers "spoof" the actual Social Security hotline number to appear on your phone and then threaten arrest or legal action to get information from you.

Grandparent Scam •

A person calls an older adult pretending to be a grandchild who's been involved in an accident or legal trouble and needs money immediately.



• IRS Scams

Someone calls threatening such things as arrest, deportation, and license revocation if the victim doesn't pay a bogus tax bill.

If you see it, report it!

Report Medicare scams to your local SMP (1-877-808-2468), Social Security scams to the OIG Social Security Administration (1-800-269-0271), grandparent scams to local law enforcement and your state attorney general, and IRS scams to the IRS (1-800-829-1040).

FRAUD TRENDS

Phishing Emails



#SMP

Phishing emails and text messages may look like they're from a company you know or trust. They are used to "phish" for your information or trick you into giving out your passwords, account numbers, Social Security number, or Medicare number.



You must click the link

An email claims there's a problem or they noticed suspicious activity. You need to click the link to make a payment or confirm personal information.

Look-a-like

They may look like they're from a bank, social networking site, credit card company, or government entity. They may even use the logo of the company they are trying to look like.



Fake links

If the website asks you to click on a link, hover over the link so that the URL is revealed. If the ".gov" is followed by another period and then additional letters, you can't be certain that it leads to a legitimate website.



Sender's email address

Check the actual email address of the sender. If they are claiming to be from Medicare, their email address should not end in gmail.com.



If you see it, report it!

If you receive a phishing email, forward it to the Federal Trade Commission (FTC) at spam@uce.gov; if you give out personal information, go to IdentityTheft.gov; and if you give out your Medicare number, contact the SMP at info@smpresource.org.

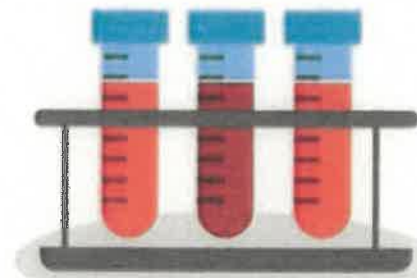
FRAUD TRENDS



Unbundling

Billing on different days •

Billing for a minor surgery on one day and an office visit on another when they actually happened the same day.

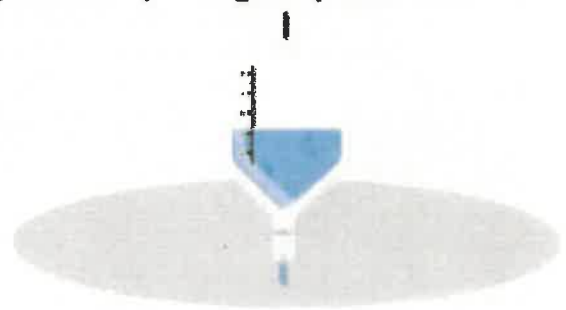


• Individual lab tests

Many routine lab tests have been grouped into panels and are billed as one panel. Billing for each test separately to get paid more.

Part of same surgery •

Using a “modifier” to falsely bill for a part of surgery separately when it was actually done during the surgery.



• Anesthesia not included

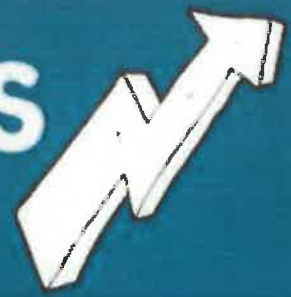
Billing for anesthesia separate from the surgery or procedure when it was already included.

If you see it, report it!

Procedures that are performed together are termed “bundled services,” and each individual procedure is reimbursed at a lower rate because Medicare is paying for the procedure as a whole. Unbundling to be reimbursed more is not allowed.

FRAUD TRENDS

Telemedicine



Telemedicine lets telehealth physicians or providers use telehealth visits (phone and video) to diagnose, treat, and prescribe medication to patients.



Compounded Medications

Using telemedicine to prescribe more expensive compounded topical medications when a pill form would have worked.

Prescriptions

After a telehealth visit, beneficiaries are asked to fill their prescriptions at specific pharmacies that are giving the physician kickbacks for the referral.



Durable Medical Equipment (DME)

A beneficiary receives a call about DME that they don't need or want. However, they are transferred to a telehealth physician who prescribes the DME over the phone for a kickback from the DME company.



Cyber Doctor

Offering prescription drugs through a "cyber doctor" who only relied on a questionnaire from the patient.



If you see it, report it!

<https://www.healthcareinformatics.com/news-item/telehealth-physician-charged-elaborate-telemedicine-fraud-scheme/>

<https://medhealthintelligence.com/news-fake-telemedicine-visits-on-line-not-federal-fraud-scheme/>

<https://www.berkeleysparklineview.com/telehealth-how-scammers-are-using-telemedicine-to-defraud-healthcare.html>

<http://thehealthcareblog.com/blog/2014/07/07/how-telehealth-may-be-promoting-fraud-and-abuse/>

SMP

FRAUD TRENDS



Hospice

Not terminally ill •

Knowingly admitting patients into hospice who are not terminally ill.



• Inflated level of care

Falsely documenting the patient needs crisis care to receive the highest reimbursement rates.



Gift incentives •

Using gifts to get beneficiaries to sign up for hospice care, which provides comfort and pain relief, but not taking steps to treat the illness.



• Services never provided

Billing for visits or even inpatient care when the beneficiary is actually at home and no one came for a visit.

If you see it, report it!

Medicare Part A covers hospice care if you are certified as terminally ill, you accept palliative care instead of curative care for your illness, and you sign a statement choosing hospice.

FRAUD TRENDS



Opioid Crisis

Medical Director



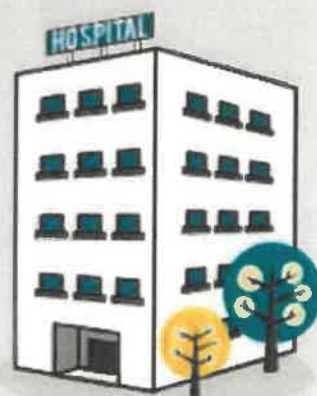
Submitted fake claims for controlled substances and then distributed them to co-workers.

Facing 50 years in prison and \$2,500,000 fine.

Health Care CEO

Obtained patients by prescribing unnecessary controlled substances to Medicare beneficiaries.

Agreed to forfeit \$51,396,917.70 and over \$11.5 million in real estate.



Nurse



Took pain medications from nursing home residents.

Facing a maximum of 9 years in prison and \$500,000 fine.

Doctor

Wrote prescriptions for pain pills that were not medically necessary.

Sentenced to 20 years in prison.



If you see it, report it!

Over-prescribing drugs and prescribing drugs that are not medically necessary are illegal practices. Those drugs are then ending up in the wrong hands and aiding the opioid crisis.

FRAUD TRENDS

Kickbacks



\$336,000

The amount a doctor was paid in kickbacks from a lab for sending urine specimens from his patients to the lab for testing that was billed to Medicare



\$6,350,332

The amount a clinic owner has to pay back to Medicare for her role in paying kickbacks to doctors to bill Medicare for home health services that were not received or not medically necessary



\$125

The amount a pain clinic paid their physician for each medically unnecessary opioid prescription he wrote. The opioids were then diverted from the patient and sold to others



\$2,760,465

The amount a clinic owner has to pay back to Medicare for paying kickbacks to patient recruiters and then billing Medicare for medical services that were not provided to those patients



If you see it, report it!

The Anti-Kickback Statute prohibits knowingly and willfully soliciting, receiving, offering, or paying remuneration (including any kickback, bribe, or rebate) for referrals for services that are paid under a federal health care program (including Medicare).

<http://thehealthcareblog.com/blog/2014/07/07/how-telehealth-may-be-promoting-fraud-and-abuse/>

#SMP

Genetic Testing Fraud

Tips for Protecting Yourself and Medicare

Genetic testing scams are a rapidly emerging fraud trend throughout the country. Scammers are offering Medicare beneficiaries cheek swabs for genetic testing to obtain their Medicare information for fraudulent billing purposes or possibly medical identity theft.

What is Genetic Testing Fraud?

Genetic testing fraud occurs when Medicare is billed for a test or screening that was not medically necessary and/or was not ordered by a beneficiary's treating physician.

What are Examples of Genetic Testing Fraud?

- Here are several ways genetic testing is advertised:
 - * Cancer screening / test
 - * Hereditary cancer screening / test
 - * Pharmacogenetics (medication metabolization)
 - * DNA screening / test
 - * Dementia screening / test
 - * Parkinson's screening / test
- A company offering you "free" or "at no cost to you" testing without a treating physician's order and then billing Medicare.
- A company using "telemedicine" to offer testing to you over the phone and arranging for an unrelated physician or "teledoc" to order the test.
- Billing Medicare (usually thousands of dollars) for a broad range of genetic tests that you did not request or possibly even receive.
- Billing Medicare for pharmacogenomic tests (to determine how you metabolize drugs) that are not covered by Medicare or apply to you.
- A company requesting your Medicare number (or possibly driver's license) at health fairs, senior centers, assisted living facilities, malls, farmer's market, parking lots outside retail stores, home shows, or church sponsored wellness events.

What is Medical Identity Theft?

When someone steals or uses your Medicare number to submit fraudulent claims to Medicare without your authorization. Medical identity theft may disrupt your medical care and/or result in financial harm.

When are Genetic Tests Covered?

- When someone has stage III or IV cancer
- When the test is medically reasonable and necessary
 - ✓ Federal regulations define medical necessity as *"services or items reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member."*
- When it is ordered by a treating physician
 - ✓ Federal regulations define a treating physician as *"the physician who furnishes a consultation or treats a beneficiary for a specific medical problem and who uses the results in the management of the beneficiary's specific medical problem. Tests not ordered by the physician who is treating the beneficiary are not reasonable and necessary."*
- When one or more coverage requirements are met for colorectal cancer genetic screening
 - ✓ There is no other Medicare coverage for genetic testing as a screening service.
- When a treating physician orders the test as a diagnostic service and uses the results to manage the patient's condition

Example Charges for One Cheek Swab

Service	Billing Code	Amount Charged	Amount Paid by Medicare
Gene analysis	81201	\$936.00	\$764.40
Gene analysis	81255	\$582.72	\$285.53
Gene analysis	81259	\$720.00	\$588.00
Gene analysis	81292	\$694.98	\$661.89
Gene analysis	81317	\$848.42	\$692.88
Gene analysis	81325	\$2,308.74	\$754.19
Molecular pathology	81407	\$870.81	\$829.34
Molecular pathology	81408	\$4,116.00	\$3,920.00
Totals		\$11,077.67	\$8,496.23



How are Fraudsters Benefiting from Genetic Testing Fraud?

See the chart for why this is becoming more prevalent. **These services are not free.**

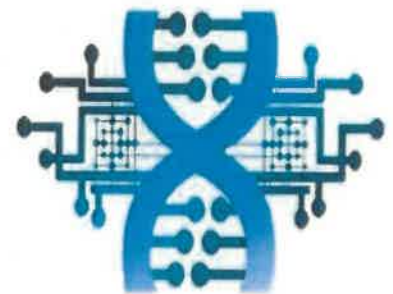
Each cheek swab could potentially make the company thousands of dollars by billing Medicare and/or you for services that were not needed.

What Can You Do to Stop Genetic Testing Fraud?

- Be sure your doctor has assessed your condition. Although Medicare covers many genetic tests for diagnostic use, it only covers one preventative genetic test to screen for cancer.
- Do not give out your personal information or accept screening services from someone at a community event, a local fair, a farmer's market, a parking lot, or any other event.
- Always read your Medicare Summary Notice (MSN) or Explanation of Benefits (EOB). The words "gene analysis," "molecular pathology," or "laboratory" may indicate questionable genetic testing has occurred.
- If you received a cheek swab or a screening that was not medically necessary, report your concerns about billing errors or possible fraud and abuse to your local SMP.

Medicare Billing Codes

There are numerous Current Procedural Terminology (CPT) codes that have been associated with genetic testing complaints as noted by SMP. All the codes are in the 81200 - 81400 CPT series associated with Gene Analysis and Molecular Pathology. You can review your MSN for these codes.



What Happens if Medicare Denies the Genetic Test Claims?

You could be responsible for the entire cost of the test! The average is \$9,000-\$11,000.

How Your Senior Medicare Patrol (SMP) Can Help

Your local SMP is ready to provide you with the information you need to **PROTECT** yourself from Medicare fraud, errors, and abuse; **DETECT** potential fraud, errors, and abuse; and **REPORT** your concerns. SMPs and their trained volunteers help educate and empower Medicare beneficiaries in the fight against health care fraud. Your SMP can help you with your questions, concerns, or complaints about potential fraud and abuse issues. It also can provide information and educational presentations.

To locate your state Senior Medicare Patrol (SMP):
Visit www.smpresource.org or call 1-877-808-2468.

Supported by a grant (No. 90MPC0001) from the Administration for Community Living (ACL),
U.S. Department of Health and Human Services (DHHS).