

FRAUD AND ABUSE BASICS

The key difference between fraud and abuse is that fraud requires an *intentional* misrepresentation of the facts to obtain payment.

Persons convicted of fraud may be required to:

- Go to prison
- Pay fines
- Repay stolen funds
- Be excluded from the Medicare program
- Lose their license

SMPs receive help in fighting fraud from the Office of Inspector General, the Federal Bureau of Investigation (FBI) and the Centers for Medicare and Medicaid Services (CMS)

Medicare Contractors help with paying bills and detecting fraud.

Fiscal Intermediaries (FIs), Affiliated Contractors (ACs) and Medicare Administrative Contractors (MACs) are responsible for processing Medicare payments. Program Safeguard Contractors (PSCs) and Zone Program Integrity Contractors (ZPICs) are responsible for investigating possible fraud involving Part A & B. Medicare Drug Program Contractors (MEDICS) are responsible for investigating potential fraud in Part D.

To help detect abuse or errors, a beneficiary can:

- Keep a Personal Healthcare Journal and compare it to Medicare Summary Notices
- Call the healthcare provider or company about any billing that might be incorrect
- Contact the company that paid the bill on behalf of Medicare
- Contact their state SMP

Beneficiaries have 120 days to appeal charges on their MSN.

Beneficiaries can access their MSN at any time by going to www.mymedicare.gov.

Part D Drug Plan representatives can not conduct door-to-door sales calls or send unsolicited emails. They are allowed to do telemarketing.



Important Information for Future Senior Medicare Patrol Volunteers



1-877-272-8720

SMP BASICS

The Goal of the SMP Program is to empower seniors to prevent health care fraud through outreach and education.

The SMP motto is: Protect, Detect, Report

The three Roles of the SMP Program are:

- Disseminating SMP fraud prevention and identification information
- Assisting beneficiaries in resolving potential fraud-related inquiries and issues
- Making referrals of suspected cases of fraud, waste and abuse to the appropriate investigative entities

The Administration on Aging is the government agency responsible for overseeing the SMP programs.

The Department of Health and Human Services, Office of the Inspector General estimated the Medicare program loses BILLIONS of dollars each year through fraud, errors and abuse.

Fraud and abuse affect health care by:

- Diminishing the quality of health care treatment
- Reducing available funding of health care programs
- Wasting taxpayer money

The five Strategic Program Objectives of SMP are:

- Foster national and statewide program coverage
- Improve beneficiary education and inquiry resolution in other areas of healthcare fraud
- Foster national program visibility and consistency
- Improve the efficiency of the SMP program while increasing results
- Target training and education to isolated and hard-to-reach populations

The database used by the SMP program to track all activity and report program outcomes is called SMART FACTS.

SMART FACTS captures and reports on:

- Simple Inquiries
- Complex Issues
- Outreach and Education Activities
- Volunteer Time and Effort

MEDICARE BASICS

Medicare numbers include the beneficiary's social security number. This information is as valuable to a thief as a credit card number. If your number is stolen, you will not be given a new one.

The Social Security Administration is the government agency responsible for Medicare.

Medicare does not pay 100% of medical costs. There are premiums, deductibles and co-payments.

Medicare has four parts:

- Part A: Hospital Insurance
- Part B: Outpatient Insurance
- Part C: Medicare Advantage Plans
- Part D: Prescription Drug Coverage

Medicare Supplement Insurance or Medigap Insurance is NOT sponsored by Medicare. It is a program offered by private insurance companies to help with costs not covered by Medicare.

Part B has a deductible that must be met every calendar year.

Part C plans are offered by private companies that have signed a contract with Medicare.

Part D enrollment takes place every year between Nov. 15 and Dec. 31. This is important to SMP because Part D plans provide multiple opportunities for dishonest individuals to commit fraud and this fraud takes place most frequently during the enrollment period.

Part D is NOT mandatory. A beneficiary may select to pay for Part D coverage if they want to.

In Medicare Advantage, a capitated payment the healthcare providers are paid a fixed amount of money for all of their patients.

If you see a doctor who does not take assignment and has "opted out" of Medicare, the beneficiary must pay the full amount charged by the doctor.

Doctors who participate in Medicare but do not take assignment can charge up to 115% of the Medicare allowed amount.

Low-income individuals may be able to receive help with health care costs from:
Medicaid • Medicare Savings Programs • PACE • Help with drug costs