

## OBJECTIVES OF VOLUNTEER FOUNDATIONS TRAINING

At the end of this training, participants will be able to

- Chapter 1
- Describe the background and mission of the national SMP program;
  - Identify the three roles of the SMPs;
- Chapter 2
- Identify components and benefits of Medicare and Medicaid programs;
  - Describe eligibility and enrollment requirements of Medicare, Medicaid, and other assistance programs;
  - Review sample MSNs against case files for accuracy;
- Chapter 3
- Describe how Medicare and Medicaid programs are subject to fraud, waste, and abuse;
  - Identify and use strategies to prevent and detect fraud, waste, error, and abuse.

**CHECK YOURSELF!**  
**THINGS YOU SHOULD KNOW AFTER ATTENDING THIS TRAINING**

**Chapter 3—Do You Know...**

- ❑ How Medicare and Medicaid are subject to fraud, waste, and abuse?
- ❑ Why it's important that we try to reduce fraud and abuse?
- ❑ The definitions of fraud and abuse?
- ❑ The differences between fraud, abuse, and error?
- ❑ Who perpetrates Medicare fraud (e.g., types of workers, types of companies or organizations)?
- ❑ Typical examples of fraud?
- ❑ Typical examples of abuse?
- ❑ Types of situations that may not be fraud?
- ❑ Who processes and pays Medicare claims?
- ❑ What happens to fraud complaints?
- ❑ The roles of various groups that assist in resolution of fraud complaints (CMS, PSCs/ZPICs, MEDICs, etc)?
- ❑ What the consequences are for perpetrators of fraud and abuse?
- ❑ What the consequences are to beneficiaries who are victims of fraud schemes?
- ❑ Common fraud schemes for illegitimately obtaining Medicare numbers?
- ❑ The services and plans that are frequently subject to fraud schemes?
- ❑ The steps that beneficiaries should take to prevent, detect, and report fraud and abuse?

## AGENDA—CHAPTER 3 TRAINING

- Welcome, Introductions, and Objectives
- Understanding Fraud and Abuse
  - Definitions
  - Who Perpetrates Medicare Fraud and Abuse?
  - Examples of Fraud and Abuse
  - Errors and Other Situations that May not be Fraud
  - Managing Complaints of Fraud and Abuse
  - Consequences for Perpetrators of Fraud and Abuse
  - Consequences to Beneficiaries who are Victims in Fraud Schemes
- Fraud Schemes
  - Scams for Obtaining Medicare Identification Numbers
  - Common Medicare Fraud Schemes
- How SMPs Combat Fraud, Errors and Abuse
- Wrap-Up, Evaluation, and Next Steps

## YOUR DEFINITIONS OF FRAUD AND ABUSE

**Directions:** Write your definitions of fraud and abuse in the space provided below.

**Fraud:**

---

---

---

---

---

---

**Abuse:**

---

---

---

---

---

---

The **difference** between fraud and abuse is

---

---

---

---

---

---

Now review the definitions provided either in the SMP Foundations Volunteer Manual or in the PowerPoint slides that your Trainer displays. Were your definitions close to the formal definitions? Did anything about the formal definitions surprise you?

---

---

---

---

---

## IS IT FRAUD, ABUSE, OR NOT A PROBLEM?

**Directions:** For each of the following situations, determine if it represents fraud or abuse or if the situation may not be a problem. Circle the correct response in the right-hand column. Use the space beneath each case in the left-hand column to write the reason for your answer. Then share your answers and the reasons for your answers with a small group of two or three other training participants. Determine if you all arrived at the same answers or if there are discrepancies. Your Trainer will review the answers with the total group.

1. A senior citizen goes to a local mall where “free” blood pressure screening is being offered; when he agrees to the screening, a staff member asks for his Medicare number for their records.	<b>Fraud</b>  <b>Abuse</b>  <b>May Not be a Problem</b>
2. A beneficiary notices that her MSN shows numerous screenings and tests that she did not receive, costing Medicare thousands of dollars.	<b>Fraud</b>  <b>Abuse</b>  <b>May Not be a Problem</b>
3. Mrs. Samuelson received acupuncture treatments; her doctor billed Medicare, claiming an entirely different service. Her MSN shows that Medicare paid the claim.	<b>Fraud</b>  <b>Abuse</b>  <b>May Not be a Problem</b>
4. A beneficiary tells you that his doctor always waives the Medicare Part B deductible and 20% co-insurance for you, and you have heard that he does this for all of his Medicare patients.	<b>Fraud</b>  <b>Abuse</b>  <b>May Not be a Problem</b>
5. Mrs. Clark tells you that, following a brief hospital stay for a broken leg, she received a bill from a specialist whom she never saw.	<b>Fraud</b>  <b>Abuse</b>  <b>May Not be a Problem</b>

6. When a big snowstorm was forecast in your area, a beneficiary cancelled her doctor's appointment. About a month later, you hear from the client that her MSN shows that Medicare was billed for this appointment.	<b>Fraud</b> <b>Abuse</b> <b>May Not be a Problem</b>
7. Regina Moore's mother requires home health care services twice a week, but Regina tells you that her mother's MSN shows that the home health care agency has been billing Medicare for three home visits per week.	<b>Fraud</b> <b>Abuse</b> <b>May Not be a Problem</b>
8. The receptionist in a doctor's office selects a medical diagnosis code and indicates treatment was for severe bronchitis. The patient says she was only seen for a couple minutes and it was for a sinus infection.	<b>Fraud</b> <b>Abuse</b> <b>May Not be a Problem</b>
9. A beneficiary reports to you that he received a Medicare statement for lab services by an out-of-state provider.	<b>Fraud</b> <b>Abuse</b> <b>May Not be a Problem</b>
10. Frank Carpenter goes to his local senior center for special social activities such as gardening, but he discovered that Medicare then is billed for group mental health therapy sessions.	<b>Fraud</b> <b>Abuse</b> <b>May Not be a Problem</b>
11. Jeannie Nilsen reports that her MSN shows a laboratory test that her doctor never ordered and that she knows was never performed.	<b>Fraud</b> <b>Abuse</b> <b>May Not be a Problem</b>
12. Kelly Odum goes to her doctor regularly to have her blood pressure checked. The doctor takes blood and performs an electrocardiogram (EKG) each time. No explanation is given for the frequency of these tests.	<b>Fraud</b> <b>Abuse</b> <b>May Not be a Problem</b>
13. A patient goes to see the doctor for back pain; the doctor orders an MRI when he should have ordered an x-ray first.	<b>Fraud</b> <b>Abuse</b> <b>May Not be a Problem</b>

## DOUBTERS AND BELIEVERS EXERCISE

**Directions:** Form teams of three to five persons. Your Trainer will assign your team one or more of the following statements to consider and also will designate your team as either “*doubters*” or “*believers*.” Your team will have ten minutes to develop a convincing argument to support the assigned statement(s) if you are *believers*, or to refute the statement(s) if you are *doubters*. After about ten minutes of discussion among your team members, your team should be prepared to defend its position before the entire group. [Note: For the purposes of this exercise, it does not matter what you actually believe. Please take on your assigned role as either a believer or a doubter.] After the total group has heard both sides of an issue, i.e., has heard from both doubters and believers, your Trainer will lead a group discussion on the topics below.

**Remember: Doubters—refute; Believers—support the following statements:**

1. An agency that has an excellent reputation for providing quality health care services is not likely to be involved in instances of fraud or abuse.

---

---

---

---

2. It really doesn't matter to taxpayers whether potential fraud and abuse are identified and reported because uncovering fraud and abuse does not necessarily lead to a decrease in taxes.

---

---

---

---

3. Most senior citizens don't worry about giving out their Medicare number to anyone who asks for it since they don't have to pay anything for charges billed to Medicare.

---

---

---

---

## CONTEXTS IN WHICH FRAUD SCHEMES MAY OCCUR

**Directions:** Find a partner. The Trainer will assign one or more of the following contexts to you. The table below lists the pages you are to read in the SMP Volunteer Manual. Use the questions below to plan a three-minute presentation to the total group on the information you have read. You will have 20 minutes to read and prepare your presentation.

Prepare your presentation to cover answers to the following questions:

No.	Context	Pages in Volunteer Manual
1	Ambulance Services	Page 37
2	Clinical Lab/Independent Physiology Labs	Pages 30-32
3	Durable Medical Equipment (DME) Suppliers	Pages 25-29
4	Home Health Agencies	Pages 21-24
5	Hospice Care	Pages 40-42
6	Hospital Services	Page 36
7	Medicare Advantage / Managed Care Plans	Pages 43-44
8	Medicare Prescription Drug Plans	Pages 45-49
9	Mental Health Services	Pages 38-39
10	Nursing Facilities	Pages 18-20
11	Physician/Practitioner Services & Kickbacks	Pages 33-35

- Why does fraud occur in the context you have read about (e.g., ambulance services, etc.)?

---



---



---

- What are some of the common fraud schemes that occur in this context?

---



---



---

- What are some of the things to look for that could indicate fraud?

---



---



---

- What does Medicare cover in this context?

---



---



---

- What real-life media example is provided for this context (if applicable)?

---



---



---

## CAUTION: CONSUMER TIPS FOR PREVENTING HEALTH CARE FRAUD

**Directions:** Read the following cautions or tips about ways that consumers can prevent health care fraud. For each, make a note of reasons that you think these tips are important—in other words, what might happen in each case, if a Medicare beneficiary does not heed the caution. When you have completed these, your Trainer will lead a group discussion about each of these tips.

1. If someone comes to the Medicare beneficiary's door and says he/she is from Medicare or some health care company, the beneficiary should tell the visitor that he/she is not interested and shut the door. Why?

---

---

---

2. The beneficiary should not simply place in the trash Medicare or other health care papers that are no longer needed—he/she should be sure to shred them before discarding. Why?

---

---

---

3. The beneficiary should be cautioned to treat his/her Medicare and Social Security numbers the same way he/she treats credit cards—in other words, these should be protected as private, personal information. Why? \_\_\_\_\_

---

---

---

4. The beneficiary should be taught to read and review for accuracy his/her Medicare Summary Notice (MSN) or health care billing statement. Why? What should he/she look for on the MSN? \_\_\_\_\_

---

---

---

## THE HEALTH CARE ACRONYM JUMBLE

**Directions:** Your Trainer will assign each person in the room to either Group A or Group B. With your group members, identify the spell-out for each acronym in the Table below (Group A has Table A, and Group B has Table B) and write the spell-out for each acronym in the appropriate table cell. When both groups have completed their assigned tables, the groups swap tables and use the Acronyms/Abbreviations Glossary at the end of Chapter 3 to check the accuracy of the spell-outs that the other group has identified. Then, each group provides feedback to the other group. In this way, all participants become familiar with frequently used health care acronyms and abbreviations.

TABLE A					
AAA	BLS	DHS	EOB	GAO	HMO
CORF	AARP	CMHC	DHHS	EOMB	HHA
DMERC	CP	ALS	CMN	DOI	ESRD
FI	DRG	CPI	AoA	CMP	DME
HIC#	FPL	EGHP	CPT	ASC	CMS
HPSA	HICAP	FY	EMC	CSW	OIG

<b>TABLE B</b>					
ICF	MA-DP	OT	QMB	SSN	TrOOP
MSP	IPL	MEDPARD	PDP	RHHI	SSP
PPS	NAIC	I&R	MFIS	PHP	RRB
SEP	PSA	OAA	LIS	MMA	PPO
ST	SHIP	PT	OIG	LTC	MSN
VA	UR	SSI	QIO	ORT	MA