



December 2011

“Care share



Happy Holidays!

Medicare fraud is in the news more than ever. Recently, it was featured in an article in CNN Money Magazine, along with the SMP Program. Specifically, it discussed the issue with signing up for Medicare Advantage plans without understanding what they are.

Our role in Medicare waste, fraud and abuse prevention includes providing consumer education. When people don't understand a healthcare product, it not only leaves them susceptible to waste, fraud and abuse, but also to simply missing out on benefits or losing money as a result.

In your role as an SMP volunteer, if you become

aware of a person who is confused over their healthcare insurance and the various programs they may be involved in, please don't hesitate to refer them to the SHIP program. SHIP is the statewide Health Insurance Assistance Program where trained specialists counsel people on health insurance and help with enrollment in certain programs.

Quoted in the article in CNN Monday is "Advantage (Medicare Advantage) is a decent product. But when agents look solely to make a quick sale, exploitation occurs." In Missoula, we have unfortunately seen this occur. One gentleman had to pay penalties and lost benefits for over a year when he was signed up for a Medicare Advantage Plan before he was even eligible. The risks are high and



healthcare coverage is at stake when people don't truly understand the benefits they are enrolled in.

Please help everyone understand how important it is to read their bills, know the enrollment periods, and seek help from SMP or SHIP when they need it. Both programs can be reached by calling 1-800-551-3191 in Montana. If you are interested in a copy of the CNN Monday article, "Beware of the Medicare Hucksters", please contact your Volunteer Coordinator.

**SMP Volunteer
Rosemary Quast
honored at the Missoula
County Seniors of the
Year Award Celebration
2011!**

SMP volunteer Rosemary Quast worked for 22 years as the Director of Medical Records for Aramco, and prior to that at the Kuakini Health Center in Honolulu. Her background in health information, reimbursement and dealing with insurance carriers gives her additional skills that help her with resolving complex inquiries.

Rosemary saw an article in the Wall Street Journal about the SMP program and felt it would be something she could do. She not only works on complex cases, but she has consulted on various forms and training tools to help all Montana SMP volunteers.

Coalition Against Insurance Fraud: Medicare Fraud Facts

Medicare and Medicaid made an estimated \$23.7 billion in improper payments in 2007. These included \$10.8 billion for Medicare and \$12.9 billion for Medicaid. Medicare's fee-for-service reduced its error rate from 4.4 percent to 3.9 percent. (U.S. Office of Management and Budget, 2008)

Medicare paid dead physicians 478,500 claims totaling up to \$92 million from 2000 to 2007. These claims included 16,548 to 18,240 deceased physicians. (U.S. Senate Permanent Committee on Investigations, 2008)

Nearly one of three claims (29 percent) Medicare paid for durable medical equipment was erroneous in FY 2006. (Inspector General report, Department of Health and Human Services, 2008)

Medicare and private

health insurers pay up to \$16 billion a year for needless imaging tests ordered by doctors. (American College of Radiology, 2004)

Other Medicare Stats

Medicare paid more than \$1 billion in questionable claims for 18 categories of medical supplies that patients don't appear to need. The study covered claims between January 2001 and December 2006. The claims included walkers for patients with purported sinus congestion, paraplegia or shoulder injuries. Hundreds of thousands of claims were made for diabetes-related glucose test strips for patients with purported breathing problems, bubonic plague, leprosy or sexual impotence. (U.S. Senate Permanent Subcommittee on Investigations, 2008)

www.insurancefraud.org

The article to the left may leave you wondering if anything we do can make a difference. The answer is YES. According to Dr. Peter Budetti, Deputy Administrator for Program Integrity, Centers for Medicare & Medicaid Services, beneficiary complaints have led to over 30,000 investigations of fraud. One example illustrating the important role beneficiaries' play is a woman in Illinois who reported charges on her statement for home health care. Not only was it uncovered the owner had no medical training, but that he had billed 20 million dollars in 5 years. That number could've reached ten times that if not for the citizen.

A beneficiary can notice most of the general types of schemes such as billing for services not given and billing for medically unnecessary services. With Medicare's help it will be a lot easier when the redesigned MSN's are released this winter. Based on beneficiary feedback, they will be simpler to read and simpler to spot fraud.

Along with that, some of the key changes to Medicare in the 2010 Healthcare Reform Law will help in SMP's efforts. One such provision is the development of a database to capture and share data across federal and state programs, and increasing the funding for antifraud activities. (Section 6402, as modified by Section 1303 of HCERA) This will make it impossible for providers to bill for 200 hours in a day, use a deceased provider's number, or simultaneously bill for two people 200 miles apart.

Another requires physicians to have a face-to-face encounter with the patient before certifying the need for DME or home health services for Medicare or Medicaid, effective January 1, 2010. (Section 6407, as modified by Section 10605) This provision will help stop much of the abuse we have seen regarding unsolicited phone calls people receive to order items not medically necessary. It won't stop the calls, but it will put a stop to the orders.

Lastly, it also served to increase penalties for submitting false claims and for failing to comply with investigations, effective January 1, 2010. (Section 6408) These measures and more will help in the efforts to stop the growing number of people who have been getting away with Medicare fraud.

