



CMA Weekly Alert (1 of 2) – November 10, 2005

## PROTECT AGAINST MEDICARE PART D FRAUD AND ABUSE

The Centers for Medicare & Medicaid Services' (CMS) definition of fraud is “an intentional representation that an individual knows to be false or does not believe to be true and makes, knowing that the representation could result in some unauthorized benefit to himself or some other person.” According to CMS, the most common forms of Medicare fraud include soliciting and offering or receiving a kickback. Medicare is expanding its efforts to fight fraud with more consumer awareness planned as Medicare Part D prescription drug coverage enrollment nears.

CMS is contracting with eight Medicare Rx Integrity Contractors (MEDICs) which will monitor and analyze data to help identify problems; work with law enforcement, prescription drug plans, consumer groups and other key partners to protect consumers and enforce Medicare's rules; and provide basic tips for consumers so they can protect themselves against fraudulent activities related to enrollment, eligibility and distribution of the prescription drug benefit. The eight companies are: Delmarva Foundation for Medical Care Inc. of Easton, Maryland; EDS Corp of Plano, Texas; IntegriGuard LLC of Omaha, Nebraska; Livanta LLC of Annapolis Junction, Maryland; Maximus Federal Services Inc. of Reston, Virginia; NDCHealth of Atlanta, Georgia, Perot Systems Government Services Inc. of Alexandria, Virginia; and Science Applications International Corp. of San Diego, California. For more information from CMS on fraud go to <http://www.cms.hhs.gov/providers/fraud>.

On August 15, 2005, CMS issued Medicare Marketing Guidelines For: Medicare Advantage Plans (MA), Medicare Advantage Prescription Drug Plans (MA-PDs), Prescription Drug Plans (PDPs) and 1876 Cost Plans. These Guidelines can be found at <http://www.cms.hhs.gov/healthplans/marketing/FINALMergedGuidelinesCMS8-151200pm.pdf>. Some highlights from the 154-page document as it relates to fraud and abuse are:

- Organizations may not use the phrase “Medicare Endorsed” or “Medicare Approved” as part of their Plan name or anything similar suggesting the Medicare endorsement.
- According to the definition of enrollment assistance, an individual performing these activities must not receive compensation directly or indirectly from the Plan for assistance in enrollment.
- Plans can attend health fairs and *distribute* health plan brochures and application forms that include a reply card. Plans *cannot* conduct sales presentations at these health fairs *or collect* enrollment applications.
- Plans cannot offer incentives or gifts at health fairs or otherwise that exceed the value of \$15.00.

In *Medicare News* dated October 7, 2005, CMS offered basic advice on how Medicare beneficiaries can protect themselves and be on the lookout for anyone trying to take advantage of them:

- No one can come to your door uninvited.
- No one can ask you to enroll before November 15, 2005.
- No one can ask you for personal information during their marketing activities.
- Always keep all personal information, such as your Medicare number, safe, just as you would a credit card or a bank account number.

- Never give out personal information until you are certain that the person or product is approved by Medicare.
- Whenever you have a question about activity, call 1-800-MEDICARE. If you suspect fraud, you can also call your local law enforcement agency or the Health and Human Services Office of Inspector General at 1-800-HHS-TIPS.

In addition, *Connecticut's* Senior Medicare Patrol Program, the CHOICES Medi\$ave Project, which can be reached at 1-800-994-9422, has developed a tip sheet that includes additional advice:

- Medicare prescription drug plans will have the “Medicare Approved” seal on their materials. The seal has “Medicare Rx” in large letters with “Prescription Drug Coverage” in smaller letters under it.
- You will be able to enroll in plans over the internet, but plans cannot ask for payment over the web. The plan must send you a bill.
- Telemarketing of Medicare prescription drug plans is allowed with some limitations. Plans can call between the hours of 8:00 a.m. and 9:00 p.m. You cannot be enrolled in a plan or asked to pay for a drug plan over the phone. Plans can request that you call them back to enroll, offer to send information or arrange an appointment for a representative to visit your home. To stop repeated and unwanted sales calls simply say “stop.” Plans are required to honor your “do not call again” requests.
- Any telemarketing of Medicare prescription drug plans must comply with the Do-Not-Call Registry list at 1-888-382-1222 or <http://www.donotcall.gov>.
- Pharmacists, physicians and other health care providers cannot steer beneficiaries to a specific plan that furthers their own interest. However, these providers can provide objective information, announce their contractual relationship with a plan sponsor and assist consumers in choosing a plan that best meets their needs.
- State Health Insurance Assistance Program (SHIP, known as CHOICES in Connecticut) Counselors cannot and do not recommend one plan over another.

Individuals can also report fraud to the Identity Theft Hotline Complaint Center for the Federal Trade Commission at 1-877-382-4357. Given the wide and confusing array of options being tossed at them, beneficiaries and advocates need to be very aware of the possibilities of fraud, and report suspicious behavior or information immediately.

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