



# NEWSLETTER

Editor, Kathleen Pursell—AR SMP Director

## Medicare Fraud Is 3 to 10 Percent of Expenditures

The Sentinel, a publication of the SMP Resource Center [www.smpresource.org](http://www.smpresource.org) February 2015

By Nancy Aldrich and Jolie Crowder  
Health Benefits ABCs

While the Centers for Medicare & Medicaid Services (CMS) does not estimate the amount of health care fraud in its programs, the Federal Bureau of Investigation (FBI) and other organizations use 3 percent to 10 percent as a rough estimate of how much fraud occurs in health care in general and in the Medicare program in particular.

Applying the 3 to 10 percent estimate to the \$582.9 billion in total Medicare expenditures reported by the Medicare Trustees for calendar year 2013 – the most recent year for which data is available – would equal between \$17.5 billion and \$58.3 billion in estimated Medicare fraud. That meshes with news organizations and other entities that estimate Medicare losses due to fraud at up to \$60 billion a year.

Another analysis, published in the online *Journal of the American Medical Association* in 2012, indicates that the category of “fraud and abuse” (as a subset of health care waste) ranged between \$30 billion and \$98 billion (midpoint estimate of \$64 billion) for Medicare and Medicaid combined in 2011. Former CMS Administrator Donald Berwick and RAND Corporation analyst Andrew Hackbarth authored the article.

## Fraud Is Hard to Measure

“Measuring fraud is not simple, in part because fraud can be determined with certainty only after the fact,” the Congressional Budget Office (CBO) explained in an October 2014 report on health care fraud. The Government Accountability Office (GAO) said in 2011 testimony to Congress: “There currently is no reliable baseline estimate of the amount of health care fraud in the United States.” The CBO said it has not estimated the amount of fraud that has occurred in Medicare or Medicaid, nor has it found a reliable method for projecting the amount of future losses due to fraudulent billing.

Fraud is a deliberate attempt to use deception to receive a service or payment from Medicare or Medicaid, the CBO explained. It is difficult to measure intent, which involves knowingly and deliberately committing fraudulent acts. Deciding whether fraud has been committed is a legal determination and requires some sort of adjudication, such as a trial verdict or a settlement agreement, the CBO said.

“Intent” is what separates fraud from most other forms of improper payments. Improper

payments can be made as a result of fraud, errors, or abuse. The term “improper payments” also includes underpayments. Examples of costs that factor into CMS’ calculation of improper payments include: payment errors resulting from incorrect documentation; costs resulting from redundant, inappropriate, or unnecessary tests and procedures; and payments for incidents or practices that are inconsistent with accepted sound medical, business, or fiscal practices.

*For now, the 3 to 10 percent range for Medicare fraud seems to be the best estimate available, with the caveat that the exact extent of undiscovered fraud cannot be accurately determined.*

For fiscal year (FY) 2014, CMS calculated the Medicare improper payment rate at \$45.8 billion, or a 12.7 percent improper payment rate. This is up from the FY 2013 improper payment rate of 10.1 percent, or \$36 billion. The improper payment rate varies by type of payment, ranging from 53.1 percent for durable medical equipment (\$5.1 billion loss) to 9.2 percent for inpatient hospitals (\$10.4 billion loss). CMS calculates the Medicare Fee-for-Service (FFS) improper payment rate through the Comprehensive Error Rate Testing (CERT) program each year. This latest data just came out in January.

## Recoveries Do Not Measure Fraud Rate

One might think another approach to estimating the amount of Medicare fraud would be to look at fraud recoveries. However, as the CBO explained in its health care fraud report, “The amount recovered is not a good indicator of the prevalence of fraud because the amount of a settlement or recovery may be only a fraction of the prosecuted wrongdoing and because recoveries do not account for fraud that goes undetected.”

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**Medicare Fraud Is 3 to 10 Percent**

Looking at False Claims Act settlements for the Medicare and Medicaid programs, the Department of Justice (DOJ) in November 2014 reported \$2.3 billion in FY 2014 recoveries. The \$2.3 billion reflects only the amount originally lost. Additional amounts were obtained for return to the federal government. For example, during FY 2013, the federal government recovered \$2.85 billion in health care fraud judgments and settlements that were transferred to the Medicare Trust Fund, according to the latest Health Care Fraud and Control Act (HCFAC) report from the Department of Health & Human Services and DOJ. During FY 2013 that amount included:

- \$1.3 billion in penalties and multiple damages
- \$708 million in criminal fines
- \$30 million in asset forfeitures
- \$14 million in civil monetary penalties

In addition, HCFAC reported \$739 million was returned to CMS, including \$677 million in restitution/compensation damages and \$62 million in HHS-OIG audit disallowance recoveries.

### **No Reliable Fraud Estimates**

Why is there no reliable, unbiased source of statistics on health care fraud? For one thing, fraud that has not been detected is impossible to measure. Fraud that has been detected represents only a small portion of all the fraud out there. "Although fraud that has been successfully prosecuted can be quantified, there is no reliable method to estimate the amount of fraud that goes undetected," the CBO said.

When deciding which statistics to use for discussions about the prevalence of health care fraud, one should consider the source of the data, the range of other fraud estimates from other sources, and, perhaps, the possible intent of the entity releasing the data. Most news organizations will verify the source of fraud data they use and try to provide objective information. On the other hand, organizations with a particular bias may only cite fraud estimates from the extreme ranges (either very high or very low) of data available. You also need to know whether the data you are looking at is measuring fraud, waste, or abuse and whether it includes only Medicare fraud or overall health care fraud.

For now, the 3 to 10 percent range for Medicare fraud seems to be the best estimate available, with the caveat that the exact extent of undiscovered fraud cannot be accurately determined.



### **Become an SMP Volunteer!**

The Arkansas SMP is continuously seeking individuals who want to help their communities to recognize and report Medicare fraud and scams. Volunteers are crucial to the SMP program because of the one-on-one interaction and educational efforts the program strives to provide. Anyone who passes a background check and does not work for an insurance company or sell insurance can apply.

## **The Office of Inspector General (OIG) found that power mobility device claims without the required patient- doctor face-to-face exams cost Medicare \$35.2 million in**



### **SOCIAL SECURITY NUMBERS ON MEDICARE CARDS—**

To further protect seniors against the risk of identity theft and strengthen Medicare's program integrity, the Budget proposes to continue the multi-year process of removing Social Security numbers from Medicare beneficiary identification cards. While these activities indicate progress, more remains to be done. Therefore, the Budget also proposes a series of policies to build on these efforts that will save nearly \$3 billion over the next 10 years.

### **TERMINOLOGY:**

#### ***DUAL ELIGIBLE—***

Medicaid provides coverage to 3.7 million people with disabilities who are enrolled in Medicare. In total, 8.3 million people are "dually eligible," meaning, enrolled in both Medicaid and Medicare, composing more than 17% of all Medicaid enrollees.



The Arkansas SMP provides training that certifies our volunteers with the education and confidence they need in order to help local beneficiaries. There are many different levels of volunteering, from handing out flyers to making presentations.

**YOU Can Help Fight Medicare Fraud! Join the Arkansas SMP!**  
**For volunteer opportunities call**  
**—1-866-726-2916—**

# FRAUD IN THE NEWS—



## Georgia -- Physician Settles False and Fraudulent Medicare Claims Case

The OIG contends that a Georgia physician overbilled Medicare for high complexity drug tests when he performed less-expensive low or moderate complexity drug tests, using an inappropriate code to bypass computer programming that would have otherwise rejected such claims.

A settlement agreement of \$305,168.54 was reached with the Office of Inspector General (OIG) for the U.S. Department of Health and Human Services effective January 20, 2015.

[http://oig.hhs.gov/fraud/enforcement/cmp/false\\_claims.asp#CMP2015010802](http://oig.hhs.gov/fraud/enforcement/cmp/false_claims.asp#CMP2015010802)

**Missouri** — A Missouri podiatrist pled guilty of billing Medicare, Medicaid and private insurers thousands of times for draining abscesses when he merely clipped toenails. He submitted false documents related to these services purportedly provided from 2006 through July 2014. He has agreed to a money judgment of \$999,170, which represents the amount of reimbursement that he and his company received for the health care claims.

## Louisiana — Patience and Perseverance Pay Off

For years, the Louisiana SMP heard about a mysterious home helper offering services at no cost to beneficiaries. She was later joined by a doctor offering to order services beneficiaries did not need. The SMP alerted the OIG and educated the public on these types of scammers. A group including the home helper, the doctor, and others has since been indicted, and Medicare paid more than \$50 million for their claims.

**EXCERPT FROM** — Highlights of the President's HHS FY 2016 Budget  
<http://www.hhs.gov/budget/fy2016-budget-factsheet.html>

### STRENGTHENING THE DEPARTMENT FOR EFFICIENCY AND EFFECTIVENESS

#### Medicare Appeals

To improve the efficiency of the Medicare appeals system and reduce the backlog of appeals awaiting adjudication at the Office of Medicare Hearings and Appeals (OMHA), the Budget includes a package of legislative proposals and invests additional resources to increase adjudication capacity and implement new business processes. OMHA received over 600,000 claims in FY 2013 and close to 1,000,000 claims in FY 2014. The Budget includes \$270 million for OMHA to expand adjudicatory capacity in new field offices in order to address the backlog in the number of appeals and maintain the quality and accuracy of its decisions and a \$36 million increase in the Centers for Medicare and Medicaid Services to fund discussions with providers to resolve disputes and participation in Administrative Law Judge Hearings.

#### Reforms

The Budget proposes targeted reforms to Medicare and Medicaid that are projected to save more than \$400 billion over the next decade. These reforms will improve the long term sustainability of Medicare and Medicaid by increasing the efficiency of health care delivery while enhancing the quality of care for the elderly, children, low income families, and people with disabilities.

### The Arkansas Senior Medicare Patrol (SMP) needs more volunteers like YOU!

The Administration for Community Living's Arkansas Senior Medicare Patrol (SMP) program, administered through the Arkansas Department of Human Services Division of Aging & Adult Services, educates seniors on ways to protect themselves from healthcare fraud, waste and abuse and assists them with Medicare billing issues.

The SMP program thrives on volunteers giving back some of their time to the older adults in their community. The Arkansas SMP offers free trainings, materials and promotional items useful in educating seniors. We have all you need!

SMP volunteer opportunities include:

- Group Presentations
- Distributing Materials
- Hosting Exhibit Booths
- Office/Clerical Assistance
- Recruiting Volunteers (your peers)!

For questions about volunteering with the Arkansas SMP, please call today for your New Volunteer Packet!

— 866-726-2916 —

**Just because you may be a Target...doesn't mean you have to be a VICTIM!**

*Pass it on...* Help protect others by making them aware of fraud and scams — talk to friends and family about how to avoid scams and financial abuse.

# Be aware of **SCAM(s)**:

If you receive a suspected scam call report the incident to the Arkansas SMP — **866-726-2916**.

**S**cam artists use clever schemes, and high pressure and scare tactics to defraud people.

They add new twists to old tricks, devising their schemes around current headline news.

They use the telephone, mail, and technology as a tool to get you to send money or give personal information.

It seems they are always a step ahead, so it is important for you to be aware of scams targeting you.

Protect yourself! Here's how:

- ♦ Log onto FTC's scam alert page at: [www.consumer.ftc.gov/scam-alerts](http://www.consumer.ftc.gov/scam-alerts);
- ♦ Sign up to receive our **SMP Newsletter** featuring current scams;
- ♦ Go to our SMP Facebook page to be alerted to scams as they occur — <https://www.facebook.com/arsmp>.

**REPORT ALL  
SCAMS  
TO THE  
ARKANSAS SMP  
1-866-726-2916**

## **AVOID BEING SCAMMED BY CALLERS POSING TO BE FROM THE IRS!**

### **PLEASE NOTE! ....THE IRS WILL NOT:**

- Call you on the phone— when there is a tax problem, the IRS will first contact you by mail, not by phone.
- Threaten arrest, deportation or loss of a driver's license.
- Demand that you make payment right away.
- Ask you to wire money, pay with a prepaid money card, or ask you to share credit card information over the phone.

If you receive a call like this and want to verify that it is a scam and that you do not owe any money to the IRS, call the IRS directly at 1-800-829-1040.

### **PROTECT**

Protect yourself from Medicare errors, fraud and abuse

### **DETECT**

Learn to detect potential errors, fraud and abuse

### **REPORT**

If you suspect you have been a target of errors, fraud or abuse, report it!

Contact the Arkansas Senior Medicare Patrol (SMP) at (866) 726-2916 if you need assistance with Medicare billing issues, Medicare appeals, or reporting Medicare fraud.

The Arkansas SMP is a statewide program that Empowers seniors to prevent healthcare fraud. SMP recruits retired professionals to serve as resources in their communities. If you are interested in volunteering with SMP, call **1-866-726-2916**.

## **SOMETHING YOU SHOULD KNOW!**

Wiring money is like sending cash — once you send it, it's gone. Don't wire money to anyone who asks you to. The same goes for prepaid debit cards. Nobody ever needs to be paid in prepaid debit cards.



**1-866-726-2916**

**Enjoy Life.**  
It has an expiration date.  
www.cafpress.com/celebrating

### **Medicaid Fraud Hotline — 1-855-527-6644**

Report Medicaid Fraud by calling the Arkansas Medicaid Inspector General's Hotline at 1-855-5AR-OMIG (1-855-527-6644) or simply Report Fraud at the link below:  
<http://omig.arkansas.gov/fraud-form>

## Spending Money to Combat Healthcare Fraud is an Excellent Investment

By Kevin Brown,  
Wisconsin SMP  
Project Director

On March 19, 2015 U.S. Attorney General Eric Holder and Health and Human Services (HHS) Secretary Sylvia Burwell released a new report showing that for every dollar spent on healthcare-related fraud and abuse investigations in the last three years, the government recovered \$7.70. This is the third-highest return on investment in the history of the Health Care Fraud and Abuse (HCFAC) Program, a joint Justice Department and HHS effort initiated in 1997 to coordinate federal, state, and local law enforcement activities to fight healthcare fraud and abuse.

The two Obama Administration officials announced that the government had re-

covered \$3.3 billion in taxpayer dollars in Fiscal Year 2014 from individuals and companies that attempted to defraud federal health programs. Attorney General Holder said, "The extraordinary return on investment we've obtained speaks to the skill, the tenacity, and the inspiring success of the hardworking men and women fighting on behalf of the American people. And with these outstanding results, we are sending the unmistakable message that we will not waver in our mission to pursue fraud, to protect vulnerable communities, and to preserve the public trust."

More than two pages of the *Health Care Fraud and Abuse Control Program Annual Report for Fiscal Year 2014* are devoted to the activities and accomplishments of the Senior Medicare Patrol (SMP) program. The report notes that the 54 SMP projects across the nation referred 698 complex issues to healthcare fraud investigators for fur-

ther action in 2013. A total of over \$121 million in savings have been attributed to the SMP program as a result of beneficiary complaints since its inception in 1997.

The primary mission of the SMP program, though, is to prevent healthcare fraud through education and education, and it is very difficult to measure prevention efforts. As the HCFAC report states, "As the SMP program is focused on education and prevention, the true value of the program comes from beneficiaries avoiding fraud in the first place." In 2013, the Administration for Community Living awarded a three-year grant to identify a way to measure the overall impact of the SMP program.

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*Please join our team and be a part of the joint effort to combat fraud. Contact the Arkansas SMP at (866) 726-2916.*

*It could be the best investment you ever make!*

Your Medicare  
Statement

Medicare  
Summary  
Notice

DECODER



Health insurance statements or Medicare Summary Notices (MSNs) are not easy to read.

AARP's interactive Medicare Summary Notice "decoders" can help. Click on the links below, then click on the gold-colored numbers for details and explanations about each part of the MSN.

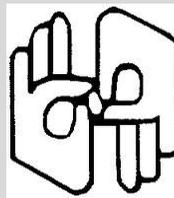
[How to Read Your Part A Medicare Summary Notice.](#)

**Do**

[How to Read Your Part B Medicare Summary Notice.](#) **Do**

<http://www.aarp.org/health/medicare-insurance/info-05-2011/your-medicare-summary-notice-and-you.html>

We are scheduling presentations for **DEAF/HARD OF HEARING** audiences statewide on the topic of healthcare fraud prevention. If you know of a Deaf community that would benefit from hearing our message, please call the **ARKANSAS SMP**  
— 1-866-726-2916 —



*When you get, give. When you learn, teach.*

— Maya Angelou

**NEW!!!!**

### Medicare Coverage of Screening for Lung Cancer with Low Dose Computed Tomography (LDCT)

February 5, 2015 the Centers for Medicare & Medicaid Services (CMS) issued a final national coverage determination that provides for Medicare coverage of Screening for Lung Cancer with Low Dose Computed Tomography (LDCT). The coverage is effective immediately.

"This is the first time that Medicare has covered lung cancer screening. This is an important new Medicare preventive benefit since lung cancer is the third most common cancer and the leading cause of cancer deaths in the United States.," said Dr. Patrick Conway, chief medical officer and deputy administrator for innovation and quality for CMS.

Medicare will now cover lung cancer screening with LDCT once per year for Medicare beneficiaries who meet all of the following criteria:

- they are age 55-77, and are either current smokers or have quit smoking within the last 15 years;
- they have a tobacco smoking history of at least 30 "pack years" (an average of one pack a day for 30 years); and
- they receive a written order from a physician or qualified non-physician practitioner that meets certain requirements.

SOURCE: CMS  
cmslists@subscriptions.cms.hhs.gov  
February 5, 2015

## WHAT IS SMP?

The national Senior Medicare Patrol (SMP) program educates seniors about fraud, waste and abuse in Medicare so they will not become victims, and helps seniors with any issues regarding their Medicare claims. SMPs recruit and train volunteers to educate Medicare beneficiaries about how to protect their Medicare numbers, examine their Medicare Summary Notices to detect discrepancies, and report suspicious activity when detected.

**Call your local  
Arkansas SMP  
program for more  
information!  
1-866-726-2916**

## Did You Know?

### What is hospice care?

Hospice care is designed to care for the patient and family at the end of life. A specialized healthcare team addresses the holistic needs of the patient and family including physical, emotional, and spiritual pain. Hospice care is appropriate when curative treatments are no longer helping or wanted.

### Is hospice FREE?

Usually hospice care is provided at no expense to you or your family. That's because the expense is normally covered 100% by Medicare, Medicaid, or private insurance. If your insurance requires a co-pay or deductible, the hospice provider is required to notify you of that prior to admission. Providers that accept payment from Medicare, must provide service regardless of the patient's ability to pay.

**The Arkansas SMP would  
like to speak to your  
SENIOR CHURCH GROUP  
about current scams  
and health care fraud  
prevention!**

**Call 1-866-726-2916  
to schedule a presentation!**

Call 1-866-726-2916  
to receive your copy of the  
quarterly **SMP Newsletter**  
in the mail or via email!

**"...The health of our  
people is, inescapably, the  
foundation for fulfillment  
of all our aspirations."**

These are the words of  
President Lyndon B. Johnson.

His words [1965], which  
were followed that year by  
the signing of Medicare and  
Medicaid into law, resonate  
as well today as they did  
then.

Fifty years later, we're a  
stronger country because 52  
million people are covered  
by Medicare and more than  
60 million are covered by  
Medicaid. Together,  
Medicare and Medicaid  
provide a foundation of  
health and financial safety  
for millions of men, women  
and children.

January 7, 2015  
By: *Sylvia Mathews Burwell,*  
U.S. D.H.H.S. Secretary

### 2014 NATIONAL SMP DATA (as of January 26, 2015)

VOLUNTEERS	4,247
VOLUNTEER WORK HOURS	92,589.49
COMMUNITY OUTREACH (EXHIBIT BOOTHS)	11,125
NUMBER OF PEOPLE REACHED BY COMMUNITY OUTREACH	1,036,335
GROUP EDUCATION SESSIONS (PRESENTATIONS)	11,971
NUMBER OF PEOPLE ATTENDING GROUP EDUCATION SESSIONS	375,379
INQUIRIES RECEIVED	226,985
NUMBER OF COMPLEX ISSUES REFERRED FOR FURTHER INVESTIGATION	611



**GOT  
YOUR BACK  
ARKANSAS  
.ORG**

It's not easy to spot trouble.  
That's why we've got your  
back. Visit our website for  
tips, alerts and assistance.

Brought to you by  
The Consumer Protection Division  
GotYourBackArkansas.org  
GotYourBack@ArkansasAG.gov  
323 Center Street, Suite 200  
Little Rock, AR 72201  
(800) 482-8982  
(501) 682-2341

"LIKE" us on our SMP Facebook page:

[facebook.com/arsmp](https://www.facebook.com/arsmp)

For information about the Office of  
**Medicaid Inspector General (OMIG)**  
or to report Medicaid fraud, please log on to: [omig.arkansas.gov](http://omig.arkansas.gov); or  
call the Medicaid OIG **HOTLINE** — **855-527-6644**

## WHAT YOU SHOULD KNOW ABOUT YOUR MEDICARE SUMMARY NOTICE (MSN)

**Q: Why do I need to read my Medicare Summary Notice (MSN)?**

**A: Reading your MSN is a crucial step to fighting fraud, waste and abuse.**

The Medicare Summary Notice is an explanation of benefits which beneficiaries receive every three months (or 3 months after your Medicare provider files a claim with Medicare for services you received). It informs the beneficiary of the services that Medicare has paid for and how much the beneficiary may be responsible for.

The Arkansas SMP recommends that you keep a **Personal Health Care Journal** and record doctor's appointments, lab tests, and any other medical services you receive. You should then compare the journal with the MSN to insure that the statement is accurate.

**Call 1-866-726-2916 for your free Personal Health Care Journal!**

**Q: How do I read my Medicare Summary Notice?**

**A: Ask yourself these questions when reviewing your MSN:**

- Did I see this provider that day?
- Does the description of the services appear to be the services I received?
- Was Medicare billed for services that I did not receive?
- Was Medicare double billed, or billed for the same service or product more than once?
- Was Medicare billed for a higher value service or product than the one actually received?

The AR SMP offers a free pamphlet entitled *How to Read Your Medicare Summary Notice (MSN)*. **Call 1-866-726-2916 for your free copy of the "How to Read Your Medicare Summary Notice" pamphlet!**

If you see any discrepancies, you should call the provider first to correct any possible error. If a problem persists, then you can call the Arkansas SMP (Senior Medicare Patrol) and let us assist you in resolving any issue. This will go a long way in fighting fraud, waste and abuse.

**Medicare Savings Programs (MSPs)** pay your Medicare premiums if you have a limited income. Premiums are what you pay each month for Medicare.

### MSP Eligibility Standards

#### Qualified Medicare Beneficiary (QMB):

Monthly Income Limits: (100% Federal Poverty Level or FPL + \$20)  
 Most States: \$1,001 – Individual \$1,348 – Couple  
 Asset Limits: \$7,280 – Individual \$10,930 – Couple

#### Specified Low-Income Medicare Beneficiary (SLMB):

Monthly Income Limits: (120% FPL + \$20)  
 Most States: \$1,197 – Individual \$1,613 – Couple  
 Asset Limits: \$7,280 – Individual \$10,930 – Couple

#### Qualifying Individual (QI):

Monthly Income Limits: (135% FPL + \$20)  
 Most States: \$1,345 – Individual \$1,813 – Couple  
 Asset Limits: \$7,280 – Individual \$10,930 – Couple

Income limits, which are based on the FPL, generally increase each year. New limits take effect on January 1 and are released in January or February. The amounts listed above include a standard \$20 income disregard. Your state may disregard other income as well. Double-check with your state for current income guidelines and to find out which income will and will not be counted.

Financial resources or assets cannot include your primary home or your primary car. Other types of assets may not count. Your SHIP can tell you the exact eligibility rules in your state.

Even if your income (money you take in, for example, Social Security payments that you receive, or wages that you earn) or assets (resources such as checking accounts, stocks and some property) are higher than the guidelines in your state, you should still apply. This is because certain kinds of income and assets may not be counted. Under federal law, states cannot count certain kinds of income and assets.

#### Some examples of income that will never be counted are:

- The first \$20 of your monthly income
- The first \$65 of monthly wages
- One-half of your monthly wages (after the \$65 is deducted)
- Food stamps

Note: Some states exclude more of your monthly income than the examples listed above.

#### In all states, the following assets will never be counted:

- Your primary house
- Your car
- Household goods and wedding/engagement rings
- Burial spaces
- Burials funds for you and your spouse valued up to \$1,500 each
- Life insurance with a cash value of less than \$1,500

When I die I want my last words to be, "I left a million dollars under the....."

## IF YOUR PERSONAL INFORMATION HAS BEEN COMPROMISED....

**Q. Is creating new passwords enough?**

**A.** Once you have strong passwords, you need to keep them safe. Think twice when you're asked to enter usernames and passwords, and never provide them in response to an email. For example, if you get an email or text that seems to be from your bank, visit the bank website directly rather than clicking on any links — which could contain malware — or calling any numbers in the message. Scammers impersonate well-known businesses or the government to trick you into handing over your information.

**Q. Is there anything else you can do?**

**A.** Review your credit card statements, bank account statements and Medicare Summary Notices regularly. If you see charges that you don't recognize, contact your bank, credit card provider, or 1-800-MEDICARE right away and speak to the fraud department.

You also can check your credit reports for free at [AnnualCreditReport.com](http://AnnualCreditReport.com) or call 1-877-322-8228. Your credit report includes information about your credit card accounts and other bills you pay, so it's a good way to find out if someone has opened credit in your name. You're entitled to a free report every 12 months from each of the three credit bureaus — Equifax, Experian and TransUnion.

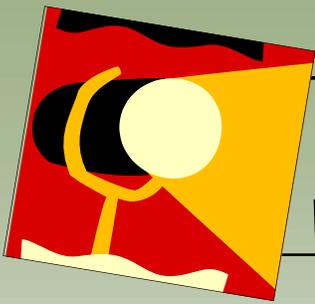
If it turns out you are a victim of identity theft, you can find the steps you should take to deal with it at [ftc.gov/idtheft](http://ftc.gov/idtheft).

Last but not least, send this post to your family and friends to make sure they know what to do too – **PASS IT ON!**

**Q. How can someone make sure this doesn't happen to them again?**

**A.** Unfortunately, you can't. But by taking these steps, you can lessen the odds scammers will get a hold of your information, and also minimize the consequences if they do.

SOURCE: [http://www.consumer.ftc.gov/blog/russian-hackers-might-have-your-info-now-what?utm\\_source=govdelivery](http://www.consumer.ftc.gov/blog/russian-hackers-might-have-your-info-now-what?utm_source=govdelivery)



**VOLUNTEERS IN THE SPOTLIGHT! ...  
Really Special and Valuable People!**

**Woodland Heights NURSES' GROUP**

The Arkansas SMP is pleased to share with you the exciting news that our Volunteer Evelyn Canady was nominated and selected as the recipient of the "OUTSTANDING VOLUNTEER GROUP / INDIVIDUAL AWARD" at the Arkansas Gerontological Society's 2015 Spring Conference at the Arkansas 4-H Center on March 18.

Mrs. Evelyn Canady is a retired nurse residing at Woodland Heights in Little Rock, and she was instrumental in establishing a retired Nurses' Group at the senior retirement housing facility where she resides. The group consists of 7 nurses and Mrs. Canady serves as Nurse Coordinator.

The Nurses' Group developed a plan of service based on the group's mission of "health and safety" and decided to volunteer as a group for the Arkansas SMP. This has been a wonderful marriage!

The Nurses' Group, with guidance and leadership from Evelyn Canady, has been very beneficial to the SMP program (as well as to the Woodland Heights Retirement Village community) serving as volunteers delivering the SMP message of fraud prevention and protection, the latest scam alerts, and other healthcare related information.

We plan to use their group as a model program, and Mrs. Canady is working with us to develop a brochure to present to senior residential administrators so we can offer this same volunteer opportunity in housing facilities throughout Arkansas.

We are so proud of Evelyn and the entire Woodland Heights Nurses' Group!

**CONGRATULATIONS!**



**CONGRATULATIONS EVELYN CANADY  
and the  
WOODLAND HEIGHTS NURSES' GROUP!**

**EL DORADO CONNECTIONS RSVP  
ARKANSAS SMP VOLUNTEERS**

This new group of SMP volunteers was trained on April 2, 2015 by Cheryl Splawn with the El Dorado Connections RSVP! **WELCOME TO THE SMP TEAM!**



L—R: Jean Whipple; Evelyn Canady; Velma Jones; and Louise Hebert



L—R: Dorene Massey; Margaret Ross; Charlotte Smith and Donald Van Smith

## WANTED – Retired Nurse Volunteers to Fight Healthcare Fraud

One of the most effective ways to ensure the long-term survival of Medicare and Medicaid is to reduce waste, fraud, and abuse. The Arkansas Senior Medicare Patrol (SMP) is one of 54 similar state projects educating seniors about what all of us — both beneficiaries and taxpayers — can do to safeguard state and federal dollars for Arkansans who rely on these vital programs.

"The strongest defense against crime is not law enforcement, it is informed citizens," according to Kathleen Sebelius, former Secretary of the U.S. Department of Health and Human Services. The truth of that statement is illustrated by the success of SMP projects nationwide, which have saved taxpayers over \$100 million for the Medicare and Medicaid program during the last 12 years.

Volunteers, most of whom are retirees on Medicare and thus well-positioned to assist their peers, have educated 20 million citizens about healthcare fraud since the SMP program began. They teach Medicare and Medicaid recipients how to protect personal information, identify and report billing errors, and recognize illegal marketing and unnecessary services. SMP volunteers also conduct health care fraud presentations for older consumers at retirement villages, senior centers, club meetings, senior church groups, and other community settings.

No one feels more strongly about keeping criminals out of Medicare than do seniors themselves.

Retired healthcare professionals, especially retired nurses, make wonderful SMP volunteers because of their familiarity with health care and their lifelong commitment to public service. The Arkansas SMP has a dedicated group of retired nurse volunteers who live at Woodland Heights in Little Rock. Each one has elected to be responsible for distributing SMP newsletters and monthly Medicare information, along with other important information to the residents on their floor. They educate their neighbors about reading and understanding their Medicare Summary Notices, how to detect and report suspected billing errors or intentional fraud, and how to protect themselves from medical identity theft. These ladies have become the "go-to" people at Woodland Heights for information on government-funded healthcare services and local scams involving durable medical equipment, diabetes supplies, and so-called "free" healthcare tests and services.

The Arkansas SMP needs more retired nurses to empower seniors to protect the benefits they rely on. We especially need you to help us replicate the successful Woodland Heights project in other senior residential settings.

If you want to be part of our program, please contact Kathleen Pursell, Director, Arkansas SMP at 1-866-726-2916.



1-866-726-2916

## 'OBAMACARE' vs. MEDICARE COVERAGE

### Clarification of the Affordable Care Act ('Obamacare') vs. Coverage Under Medicare

Some seniors remain confused about Obamacare" and its impact on Medicare beneficiaries. Below are some tips to better understand the purpose behind 'Obamacare'—

The Patient Protection and Affordable Care Act (ACA), commonly referred to as 'Obamacare' established health insurance marketplaces to offer the uninsured (those with no insurance coverage) the opportunity to compare plans and select one that meets their healthcare needs and fits into their budget.

If you have Medicare, a Medicare supplement insurance plan, a Medicare Advantage plan, and/or a Part D plan, you are covered—you are insured.

Your Medicare coverage is protected under the new healthcare law. You will not have to replace your coverage.

**In fact, it is illegal for any organization or insurance broker to knowingly sell health insurance to you under 'Obamacare' if you have Medicare.**

Except for some very unusual circumstances, it is not advisable to drop your Medicare coverage for insurance offered through the Affordable Care Act.

Beware of 'Obamacare' scams that propose to:

- ◆ Offer a plan to replace your Medicare coverage;
- ◆ Offer a marketplace plan to help pay the expenses that Medicare does not pay (offered as supplemental plans);
- ◆ Urge you to drop your Medicare Part D and join a "discounted" prescription drug plan;
- ◆ Claim that you need a new Medicare card to comply with the law and then ask for your Medicare number or other personal information.

Report these behaviors to the Arkansas SMP (866-726-2916); or to the Arkansas Insurance Department at (800-224-6330).

Benefits of the ACA to Medicare beneficiaries include:

◇ Expanded preventive services covered by Medicare Part B with no cost sharing, including a new "Annual Wellness Visit" which *complements* the "Welcome to Medicare" exam.

For more information about Medicare preventive services, call (800) MEDICARE at (800-633-4227), or go to [www.medicare.gov](http://www.medicare.gov) The TTY number is (877) 486-2048.

◇ Narrowing the coverage gap, or the DONUT HOLE, for Medicare beneficiaries with Part D prescription drug plans. Originally, beneficiaries paid the full cost for all covered drugs while they were in the donut hole. In 2015, beneficiaries will pay 65 percent of the cost for generic drugs and 45 percent for brand-name prescription medications covered under their plans. In 2020, co-payments for beneficiaries in the donut hole will be 25 percent for covered brand-name and generic drugs.

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## Fraud Safeguards in Electronic Health Records (EHRs)

While EHRs can improve care and lower costs, it may make committing healthcare fraud easier. The U.S. DHHS is focusing on improved data protection, validity, accuracy, and integrity.

### Copy/Paste

The ability to copy/paste data is an issue in that those who enter data (nurse or doctor) can electronically copy/paste information from one patient's chart and pastes it into another location of that chart or another patient's chart. This feature could be used inappropriately to bulk up, or over-document, a patient's record to fraudulently bill for services that weren't provided.

When, where and how data is entered into a patient's EHR can help fraud investigators determine the authenticity of EHRs. These data logs can be deleted or disabled which makes it harder to prevent and detect fraud, and most hospitals don't analyze audit logs with the intent to try and identify duplicate and fraudulent claims and inflated billing.

### Patient Authentication

Most patients are unable to view their own EHRs - so patients can't help flag mistakes or fraudulent activity.

Medicare hasn't given a lot of guidance to providers on using the copy/paste function or guidance on detecting fraud in EHRs by reviewing audit logs.

The U.S. DHHS Office of Inspector General recommends that:

- ◆ providers always keep their audit logs turned on;
- ◆ HHS address fraud vulnerabilities;
- ◆ Medicare develop guidance on using the copy-paste function;
- ◆ Medicare provide its contractors with guidance on detecting fraud in EHRs, and reviewing audit logs.

<http://oig.hhs.gov/newsroom/podcasts/2014/ehr-trans.asp>

## Places to report fraud and file complaints based on the type of fraud:

- **Medicare Fraud** (error and abuse) – Arkansas SMP 866-726-2916; or Medicare at 800-633-4227 (800-MEDICARE)

- **Medicaid Fraud** – Medicaid Office of Inspector General – 855-527-6644

- **General Consumer Fraud** – Arkansas Office of Attorney General – [800-482-8982](tel:800-482-8982)

Frauds Committed by Local Businesses  
Better Business Bureau – [bbb.org](http://bbb.org)

- **Misuse of Social Security Number** – Social Security Administration [socialsecurity.gov/fraudreport](http://socialsecurity.gov/fraudreport); (800) 269-0271

- **Identity Theft or Telemarketing Fraud** – Federal Trade Commission (FTC) – [ftccomplaintassistant.gov](http://ftccomplaintassistant.gov); (877) FTC-HELP (877-382-4357) or (877-438-4338)

- **ID THEFT** – Arkansas Office of Attorney General – (800) 482-8982

- **Commodities, Investment or Securities Fraud** –

→ Commodity Futures Trading Commission – [cftc.gov/consumerprotection](http://cftc.gov/consumerprotection) (866) 366-2382;

→ Arkansas Securities Commission – (800) 981-4429 [info@securities.arkansas.gov](mailto:info@securities.arkansas.gov);

→ Financial Industry Regulatory Authority – [finra.org/complaint](http://finra.org/complaint)

- **Internet-based Fraud**: Internet Crime Complaint Center – [ic3.gov/complaint](http://ic3.gov/complaint)

- **Mail Fraud** – US Postal Inspection Service: <https://postalinspectors.uspis.gov> – (877) 876-2455

- **Tax Fraud or Tax ID Theft** - Internal Revenue Service (IRS): <http://www.irs.gov/Individuals/How-Do-You-Report-Suspected-Tax-Fraud-Activity%3F/>; (800) 829-1040

## TERMINOLOGY:

### Deductible—

This is the amount you owe for health care services covered by your health insurance. before your health insurance plan begins to pay, unless you have supplemental insurance or qualify for assistance with these costs. The deductible may not apply to all services. Some services, like a flu shot, may be fully covered, whether you have met your deductible or not.



# Don't Be a Target of Healthcare Fraud.



**Empowering Seniors to Prevent Healthcare Fraud**

**Find Out How to Prevent Healthcare Fraud**

**Arkansas SMP**  
If you have questions or concerns about healthcare fraud, are interested in volunteering, or would like to schedule a free speaker contact the Arkansas SMP by email: [Kathleen.Pursell@dhs.arkansas.gov](mailto:Kathleen.Pursell@dhs.arkansas.gov); or call our toll-free HELPLINE **1-866-726-2916**



**Protect Detect Report**

## IMPORTANT PHONE NUMBERS:

<b>AANHR</b> —AR Advocates for Nursing Home Residents	<b>501-450-9619</b>
<b>AFMC</b> —AR Foundation for Medical Care	<b>1-888-354-9100</b>
<b>Area Agency on Aging</b>	<b>1-800-986-3505</b>
<b>Arkansas Attorney General</b> Consumer Protection Division	<b>1-800-482-8982</b>
<b>APS</b> —Adult Protective Services (DHS)	<b>1-800-482-8049</b>
<b>Arkansas Rehabilitation Services</b>	<b>1-800-981-4463</b>
<b>AR SMP</b> (Healthcare Fraud Complaints)	<b>1-866-726-2916</b>
<b>Better Business Bureau (BBB)</b>	<b>501-664-7274</b>
<b>CMS</b> —(Medicare)— (Centers for Medicare and Medicaid Services) (1-800MEDICARE)	<b>1-800-633-4227</b>
<b>Community Health Centers of AR</b>	<b>1-877-666-2422</b>
<b>Coordination of Benefits</b>	<b>1-855-798-2627</b>
<b>DHS</b> (Customer Assistance Unit)	<b>1-800-482-8988</b>
<b>Do Not Call Registry</b>	<b>1-888-382-1222</b>
<b>Elder Care Locator</b>	<b>1-800-677-1116</b>
<b>Federal Trade Commission</b> Report STOLEN IDENTITY	<b>1-800-438-4338</b>
<b>ICan</b> —Increasing Capabilities Access Network	<b>501-666-8868</b>
<b>Medicaid</b> —(Claims Unit)	<b>1-800-482-5431</b>
<b>Medicaid Inspector General</b>	<b>1-855-527-6644</b>
<b>Medicaid Fraud Control Unit</b>	<b>1-866-810-0016</b>
<b>MEDICARE</b> (CMS 1-800-MEDICARE)	<b>1-800-633-4227</b>
<b>Medicare Part D</b>	<b>1-877-772-3379</b>
<b>Medicare Rights Center</b>	<b>1-800-333-4114</b>
<b>National Consumer Technical Resource Center</b>	<b>1-877-808-2468</b>
<b>National Medicare Fraud Hotline</b> (1-800-HHS-TIPS) Office of Inspector General	<b>1-800-447-8477</b>
<b>OLTC</b> —Office of Long Term Care	<b>1-800-LTC-4887</b>
<b>OLTC</b> —Abuse Complaint Section	<b>501-682-8430</b>
<b>Ombudsman</b> —Statewide Office of Long Term Care	<b>501-682-8952</b>
<b>Resource Center (ADRC)</b> (DHS'S Choices in Living Resource Center)	<b>1-866-801-3435</b>
<b>Senior Circle</b> (Northwest Health System)	<b>1-800-211-4148</b>
<b>SHIP</b> (Senior Health Insurance Information Program)	<b>1-800-224-6330</b>
<b>SMP Locator</b> —(locate an SMP outside AR)	<b>1-877-808-2468</b>
<b>SSA</b> (Social Security Administration) Little Rock Office	<b>1-800-772-1213</b> <b>1-866-593-0933</b>
<b>SSA Fraud Hotline</b>	<b>1-800-269-0271</b>
<b>South Central Center on Aging</b>	<b>1-866-895-2795</b>
<b>Tri-County Rural Health Network</b>	<b>1-870-338-8900</b>
<b>UALR Senior Justice Center</b>	<b>501-683-7153</b>
<b>UofA Cooperative Extension Service</b>	<b>501-671-2000</b>

## HELPFUL WEBSITES:

**ADRC**—AR Aging & Disability Resource Center (DHS)—  
[www.choicesinliving.ar.gov/](http://www.choicesinliving.ar.gov/)

**AR Advocates for Nursing Home Residents**—  
[www.aanhr.org](http://www.aanhr.org/); **e-mail:** [Info@aanhr.org](mailto:Info@aanhr.org)

**AR Long Term Care Ombudsman Program**—  
[www.arombudsman.com](http://www.arombudsman.com)

**Arkansas 2-1-1**— [www.arkansas211.org](http://www.arkansas211.org) (Get Connected.  
Get Answers)

**Arkansas Aging Initiative** — <http://aging.uams.edu/?id=4605&sid=6>

**Attorney General**— [www.arkansasag.gov](http://www.arkansasag.gov)

**Arkansas Attorney General Consumer Protection Division**—**e-mail:** [consumer@ag.state.ar.us](mailto:consumer@ag.state.ar.us)

**Area Agencies on Aging**—[www.daas.ar.gov/aaamap.html](http://www.daas.ar.gov/aaamap.html)

**Arkansas Foundation for Medical Care**—[www.afmc.org](http://www.afmc.org)

**Arkansas SMP**—[www.daas.ar.gov/asmp.html](http://www.daas.ar.gov/asmp.html)

**BBB (Better Business Bureau)**— **scams and alerts**—  
<http://arkansas.bbb.org/bbb-news/>

**CMS (Medicare-Centers for Medicare and Medicaid Services)**  
— [www.cms.hhs.gov](http://www.cms.hhs.gov)

**Do Not Mail**— [www.DMAchoice.org](http://www.DMAchoice.org)

**Elder Care Locator**— [www.eldercare.gov](http://www.eldercare.gov)

**H.E.A.T**— [www.stopmedicarefraud.gov/](http://www.stopmedicarefraud.gov/)  
(Healthcare Fraud Prevention and Enforcement Action Team)

**ICan AT4ALL**— Tools for Life—[www.ar-ican.org](http://www.ar-ican.org)

**MEDICAID**—[www.Medicaid.gov](http://www.Medicaid.gov)

**Arkansas MEDICAID INSPECTOR GENERAL**—  
<http://omig.arkansas.gov/fraud-form>

**MEDICARE**— [www.medicare.gov](http://www.medicare.gov)

**Medicare Interactive Counselor**—  
[www.medicareinteractive.org](http://www.medicareinteractive.org)

**Hospital Compare**— [www.hospitalcompare.hhs.gov](http://www.hospitalcompare.hhs.gov)

**MyMedicare.gov**— [www.mymedicare.gov](http://www.mymedicare.gov)  
(Access to your personal Medicare claims information)

**MyMedicareMatters.org** (National Council on Aging)

**Office of Long Term Care**— <http://humanservices.arkansas.gov/dms/Pages/oltcHome.aspx>

**Office of Inspector General**—**e-mail:** [HHSTips@oig.hhs.gov](mailto:HHSTips@oig.hhs.gov)

**Pharmaceutical Assistance Program**—  
[medicare.gov/pap/index.asp](http://medicare.gov/pap/index.asp)

**Physician Compare**— [www.medicare.gov/find-a-doctor](http://www.medicare.gov/find-a-doctor)

**SMP Locator**— [SMPResource.org](http://SMPResource.org) (locate an SMP outside of AR)

**Social Security Administration**—[www.ssa.gov](http://www.ssa.gov)

**TAP**— [www.arsinfo.org](http://www.arsinfo.org) (Telecommunications Access Program)

**Tri-County Rural Health Network**—  
[communityconnecting.net/home.html](http://communityconnecting.net/home.html)

**UofA Cooperative Extension Service**—  
[www.uaex.edu](http://www.uaex.edu) (or) [www.arfamilies.org](http://www.arfamilies.org)

**Working Disabled**—[www.workingdisabled-ar.org](http://www.workingdisabled-ar.org)



## OUR MISSION

“To empower and assist Medicare beneficiaries, their families, and caregivers to prevent, detect, and report health care fraud, error, and abuse through outreach, counseling, and education.”



### TO PREVENT HEALTHCARE FRAUD—

#### **Protect** Personal Information

- \* Treat Medicare/Medicaid and Social Security numbers like credit card numbers
- \* Remember, Medicare will not call or make personal visits to sell anything!
- \* READ and SAVE Medicare Summary Notices (MSN) and Part D Explanation of benefits (EOB), but **shred** before discarding

#### **Detect** Errors, Fraud, and Abuse

- \* Always review MSN and EOB for mistakes
- \* Compare them with your Personal Health Care Journal
- \* Visit **www.mymedicare.gov** to access your personal account online to look for charges for something you did not get, billing for the same thing more than once, and services that were not ordered and/or you never received.

#### **Report** Mistakes or Questions

- \* If you suspect errors, fraud, or abuse, report it immediately! Call your provider or plan first.
- \* If you are not satisfied with their response, call the Arkansas SMP

### TO RECRUIT & TRAIN VOLUNTEERS—

- \* Retired seniors
- \* Retired health-care providers
- \* Retired professionals, *e.g.*, teachers, accountants, attorneys, investigators, nurses

## SMP PARTNERS

**El Dorado Connections RSVP**  
El Dorado, AR

**Texarkana RSVP**  
Texarkana, AR

**RSVP of Central Arkansas**  
Little Rock, AR

**Oaklawn Foundation**  
Hot Springs, AR

**Senior Health Insurance  
Information Program (SHIIP)**  
Little Rock, AR

**Mid Delta Community Consortium**  
West Helena, AR

**Tri County Rural Health Network**  
Helena, AR

To receive the Arkansas SMP Newsletter electronically  
email: [kathleen.pursell@dhs.arkansas.gov](mailto:kathleen.pursell@dhs.arkansas.gov)

Current and archived newsletters available at:  
[www.daas.ar.gov/asmpnl.html](http://www.daas.ar.gov/asmpnl.html)



P. O. Box 1437 Slot S530  
Little Rock, AR 72203-1437  
<http://www.daas.ar.gov/asmp.html>

**FACEBOOK.COM/ARSMIP**

To Report Medicare Fraud, Waste & Abuse  
Call the Toll-Free **Helpline** 8:00am-:430pm  
**1-866-726-2916**