

NEWSLETTER

To Report Fraud, Waste & Abuse
Call Toll-free 1-866-726-2916

MEDICARE FRAUD: A \$60 BILLION CRIME



A.G. Holder Tells *60 Minutes* More Oversight Is Needed; Scammer Explains How Easy It Is To Steal Millions

(CBS) Of all the problems facing the United States right now, none are more important than health care.

President Obama says rising costs are driving huge federal budget deficits that imperil our future, and that there is enough waste and fraud in the system to pay for health care reform if it was eliminated.

At the center of both issues is Medicare, the government insurance program that provides health care to 46 million elderly and disabled Americans. But it also provides a rich and steady income stream for criminals who are constantly finding new ways to steal a sizable chunk of the half trillion dollars that are paid out each year in Medicare benefits.

In fact, Medicare fraud - estimated now to total about \$60 billion a year - has become one of, if not the most profitable, crimes in America.

This story may raise your blood pressure, along with some troubling questions about our government's ability to manage a medical bureaucracy.

If you want to find Medicare fraud, the first place you should look is South Florida, where **60 Minutes** and correspondent **Steve Kroft**

were told it has pushed aside cocaine as the major criminal enterprise.

It's a quiet crime - there are no sirens or gunfire. The only victims are the American taxpayers, and they don't even know they are being ripped off.

FBI Special Agent Brian Waterman, who **60 Minutes** rode with for several days, told us the only visible evidence of the crimes are the thousands of tiny clinics and pharmacies that dot the low-rent strip malls.

You don't even know they're there because there's never anyone inside. No doctors, no nurses and no patients.

"This office number should be manned and answered 24 hours a day," Waterman explained, standing outside one of those small, unstaffed businesses.

The tiny medical supply company billed Medicare almost \$2 million in July and a half million dollars while **60 Minutes** was there in August, but we never found anybody inside, and our phone calls were never returned.

Sometimes, they don't even have offices: we went looking for a pharmacy at 7511 NW 73rd Street that billed Medicare \$300,000 in charges. It turned out to be in the middle of a public warehouse storage area.

"They've already told us that there's no offices here," Waterman told Kroft. "There are no businesses here. In fact they are not even allowed to have a business here."

Waterman is the senior agent in the Miami office in charge of Medicare fraud. And Kirk Ogrosky, a top Justice Department prosecutor, oversees half a dozen Medicare fraud strike forces that have been set up across the country.

The office Kroft visited operates out of a warehouse at a secret location in South Florida and includes investigators from the FBI, Health and Human Services, and the IRS.

"There's a healthcare fraud industry where people do nothing but recruit patients, get patient lists, find doctors, look on the Internet, find different scams. There are entire groups and entire organizations of people that are dedicated to nothing but committing fraud,

finding a better way to steal from Medicare," Waterman explained.

"Is the Medicare fraud business bigger than the drug business in Miami now?" Kroft asked.

"I think it's way bigger," Ogrosky said.

Asked what changed, Ogrosky told Kroft, "The criminals changed."

"Sophistication," Waterman added.

"They've figured out that rather than stealing \$100,000 or \$200,000, they can steal \$100 million. We have seen cases in the last six, eight months that involve a couple of guys that if they weren't stealing from Medicare might be stealing your car," Ogrosky explained.

"You know, we were the king of the drugs in the '80s. We're king of healthcare fraud in the '90s and the 2000's," Waterman added, speaking about South Florida.

(CBS) But it's not just Miami: in March, the FBI arrested 53 people in Detroit, including a number of doctors, and charged them with billing Medicare more than \$50 million for unnecessary medical procedures.

And in Los Angeles, the City of Angels Medical Center recruited homeless people off the street to fill their empty beds, offering them cash and drugs plus clean sheets and three square meals a day, while billing Medicare tens of millions of dollars for their stay.

"We have to understand this is a major fraud area," United States Attorney General Eric Holder told Kroft.

Holder is taking a crime that has been in the backwaters of law enforcement and made it a top priority at the Justice Department.

(Cont'd Pgs 4-5)

INSIDE THIS ISSUE:

Fraud in the News	Pgs 2-3
Scams	Pg 6
Year End Report	Pg 7
Enrollment Periods	Pg 10
Important Phone Numbers	Pg 11



Feds arrest 26 in \$61 million Medicare fraud

Doctors, nurses among those accused in Miami, Brooklyn and Detroit

AP Associated Press

Updated 4:56 p.m. CT, Tues., Dec. 15, 2009

FORT LAUDERDALE, Fla. - Federal agents arrested 26 suspects in three states Tuesday, including a doctor and nurses, in a major crackdown on Medicare fraud totaling \$61 million in separate scams.

Arrests in Miami, Brooklyn and Detroit included a Florida doctor accused of running a \$40 million home health care scheme that falsely listed patients as blind diabetics so that he could bill for twice-daily nurse visits.

The U.S. Department of Justice and U.S. Department of Health and Human Services said the total of 32 indicted suspects lined up bogus patients and otherwise billed Medicare

"Medicare fraud is not a victimless crime. It hurts every American taxpayer by raising the cost of health care."

Assistant Attorney General Lanny Breuer said.

for unnecessary medical equipment, physical therapy and HIV infusions.

Unnecessary services alleged

Miami Dr. Fred Dweck, along with 14 people with whom he worked, was accused in an indictment of running a scam to tap a Medicare program that pays very high rates to care for the sickest patients.

Dweck referred about 1,279 Medicare beneficiaries for expensive and unnecessary home health and therapy services, bribing the owners of two Miami clinics to join the scam. He also faked medical certifications, according to the indictment.

A telephone listing for Dweck could not be found and it was unclear if he had a lawyer.

"No matter what type of fraud is committed, there is one common denominator and that denominator is greed," Assistant Attorney General Lanny Breuer said. "Medicare fraud is not a victimless crime. It hurts every American taxpayer by raising the cost of health care."

The raids come a week after a report that Miami-Dade County received more than half a billion dollars from Medicare in home health care payments intended for the sickest patients in 2008, which is more than the rest of the country combined, according to a report by the Department of Health and Human Services' Office of Inspector General. Medicare paid the county about \$520 million, even though only 2 percent of those patients receiving home health care live here.

In Detroit's raids, suspects paid recruiters to find patients willing to feign symptoms to justify expensive testing, including nerve conduction studies, federal authorities said.

Mother, son charged

A mother and son were charged in Brooklyn with billing Medicare \$246 per patient for expensive shoe inserts reserved for diabetes patients, even though they only provided cheap, over-the-counter versions.

Including Tuesday's arrests, a Medicare Fraud strike force formed by the Justice and Health departments has now charged suspects accused of bilking Medicare of more than \$1 billion in less than two years.

www.msnbc.msn.com/id/34437085/ns/us_news-crime_and_courts/from/ET

The pilot strike force, which started in Miami in 2007, has indicted more than 460 suspects in Medicare fraud scams. The program is now in Los Angeles, Houston and Detroit. HHS Secretary Kathleen Sebelius also announced Tuesday the operation will expand to Tampa, Fla., Baton Rouge, La., and Brooklyn.

Cleaning up an estimated \$60 billion a year in Medicare fraud will be key to President Barack Obama's proposed health care overhaul. HHS and DOJ have promised more money and manpower to fight the fraud.

For more information on H.E.A.T. go to:
www.hhs.gov/asl/testify/2009/10/t20091028a.html

Pine Bluff Doctor Indicted on Health Care Fraud Charges

By Mark Friedman - 10/8/2009

A Pine Bluff obstetrician and gynecologist was indicted Thursday on charges related to using intrauterine devices on patients that had not been approved by the Food & Drug Administration.

Dr. Kelly Dean Shrum, 41, faces one count of misbranding in violation of the Food, Drug & Cosmetic Act, one count of health care fraud and three counts of money laundering, according to a news release from the U.S. Attorney's Office in Little Rock.

During a search warrant at Shrum's former office at the Arkansas Center for Women, agents found "several non-approved versions of the Bayer manufactured IUD, Mirena," according to the news release.

Shrum also allegedly billed Medicaid for the more expensive, FDA-approved version of the Mirena when he was using the cheaper, non-FDA approved version, the news release said.

The money laundering charge stems from allegations that Shrum conducted several transactions that were more than \$10,000 and involved money withdrawn from an account that Medicaid had deposited its reimbursements. Shrum couldn't be reached for comment.

He faces three years in federal prison and a \$10,000 fine for the misbranding charge and 10 years in prison and a \$250,000 fine for each of the other charges.

Arkansas Business



Shirley Shupp talks about how she called Medicare to report receiving medical equipment she never asked for. Shupp contacted her local Senior Medicare Patrol, which did its own research and then referred the matter to investigators. The equipment, worth thousands of dollars, was returned, the case was handed over to prosecutors and the perpetrators were charged with Medicare fraud. (AP Photo/Pat Sullivan) (AP)

Senior-Citizen Volunteers Fight Medicare Fraud

Volunteer army of senior citizens is helping uncover Medicare scams, saves taxpayers' money

By **MATT SEDENSKY**
Associated Press Writer
MIAMI December 29, 2009 (AP)

The first box that arrived at Shirley Shupp's door was filled with braces to help with her arthritis. Then came a motorized scooter, just like the one the 69-year-old already owned. She hadn't asked for any of it — but Medicare was apparently footing the bill.

"There was just something that wasn't right about it," the Houston woman said.

So Shupp contacted her local Senior Medicare Patrol, which did its own research and then referred the matter to investigators. The equipment, worth thousands of dollars, was returned, the case was handed over to prosecutors and the perpetrators were charged with Medicare fraud.

The Senior Medicare Patrol is one of the least-known forces in the government's effort to eliminate such fraud, which drains billions of dollars a year. But it is seen as a valuable part of the Obama administration's bid to overhaul health care and bring down costs.

The 4,700 senior citizen volunteers who serve as the government's eyes and ears have been credited with saving taxpayers more than \$100 million since 1997. The program relies on elderly people to apply a lifetime's worth of common sense and skepticism.

"They can tell when something just doesn't feel right to them," said Anne Gray, who works on the SMP program in Santa Ana, Calif.

The patrol, which evolved from another program founded in 1995, now has at least one unit in every state.

SMP sends its volunteers to senior centers, retirement communities and elsewhere to encourage Medicare beneficiaries to guard their personal information, beware of too-good-to-be-true offers on medical equipment and carefully review their benefit statements. The patrol also collects tips on potential scams and fields calls from senior citizens who believe their Medicare accounts have been fraudulently billed.

When all they have is a whiff of something fishy, SMP participants often keep probing until they have enough information to send on to the FBI and investigators with the Centers for Medicare and Medicaid Services.

"It really is detective work," said Barbara McGinity, director of the SMP in Houston.

Patrol volunteers have witnessed all kinds of schemes. There are fly-by-night clinics where patients endure multiple tests at the hands of staff members with dubious credentials. Patients may be followed home from the hospital by companies selling home health services, scooters, glucose monitors or psychotherapy.

Often, senior citizens are persuaded to give up their personal information with an offer of something they need, such as transportation to kidney dialysis appointments.

"They get their number and they pass it around," Gray said. "They have a ring where they're selling it."

Beneficiaries may have no idea their identities have been wrongly used unless their accounts are frozen for unusual activity or they try to obtain something the government already bought for them, such as a pricey hospital bed or wheelchair.

The Obama administration says eliminating Medicare fraud is key to overhauling the health care system. But agents and prosecutors tackling the issue are relatively sparse. The patrol helps fill in the gaps.

"There is no substitute for beneficiaries and on-the-ground resources to help us know where fraud is occurring and where problems are arising," said Kimberly Brandt, who oversees Medicare anti-fraud efforts at CMS.

All told, scam artists are believed to have stolen about \$47 billion from Medicare in the 2009 fiscal year, nearly triple the toll a year earlier. Medicare spokesman Peter Ashkanaz said that since the Justice Department and Health and Human Services formed a task force after President Barack Obama took office, charges have been filed against 103 defendants in cases involving more than \$100 million in Medicare fraud.

For every Medicare thief the senior citizen volunteers successfully pursue, McGinity said, it seems there are dozens more.

"Sometimes we feel like we're really beating our heads against the wall," she said.

Associated Press writer Jennifer Kay in Miami contributed to this report.

To receive an electronic version of the
Arkansas SMP Newsletter
Email: kathleen.pursell@arkansas.gov

Access the newsletter by visiting our website at:
www.daas.ar.gov/asmp.html

The **Arkansas SMP** educates and empowers people with Medicare to take an active role in detecting and preventing health care fraud and abuse. There is an SMP Program in every state as well as the District of Columbia, Guam, U.S. Virgin Islands and Puerto Rico.

For more information visit:
www.daas.ar.gov/asmp.html

A \$60 BILLION CRIME

(Cont'd from Page 1)

"Why do you think it's been so attractive for the criminals?" Kroft asked.

"Because I think it's been pretty easy. I think that they have found a way in which they have been able to get pretty substantial amounts of money with not a huge amount of effort and at least until now, without the possibility of great detection," Holder explained.

The attorney general agreed that the risks are much lower. "You'll see some of these people and they'll say 'You know there is not a chance that you are going to have some other drug dealer shooting at you.' The chances of being incarcerated were lower, the amount of time you would spend in jail was smaller. All of which is different now."

"You're wakin' up every day makin' \$20,000, \$30,000, \$40,000. Every day, almost literally. And you're like 'Wow I just won the lottery,'" a man we'll call "Tony" told Kroft.

Tony is not his real name. Before he was ratted out by a friend and brought down by the FBI, he was making Wall Street money running a string of phony medical supply companies out of a building that were theoretically providing wheel chairs and other expensive equipment to Medicare patients.

He told Kroft he stole about \$20 million from Medicare. He told Kroft it was "real easy."

"And you're not exactly a criminal mastermind?" Kroft asked.

"No. No," Tony said. "No, not really. It's more like common sense."

Asked if he actually ever sold any medical equipment, Tony said, "No. Just have somebody in an office answering the phone, like we're open for business. And wake up in the morning, see how much, check your bank account and see how much money you made today."

He told Kroft he didn't have any medical equipment or real clients - all of it was fake.

"And you would just fill out some invoices and some forms and send 'em to Medicare?" Kroft asked.

"That's it. In 15 to 30 days you'll have a direct deposit in your bank account. I mean it

was ridiculous. It's more like taking candy from a baby," Tony said.

(CBS) According to the FBI, all you have to do to get into this business is rent a cheap storefront office, find or create a front man to get an occupational license, bribe a doctor or forge a prescription pad, and obtain the names and ID numbers of legitimate Medicare patients you can bill the phony charges to.

"There's a whole industry of people out there that do nothing but provide patients," Waterman told Kroft.

Asked what he means by "provide patients," Waterman said, "I'm just talking about lists of patients, people's names, Social Security numbers, addresses, and date of birth. With those four things, you can bill for a patient."

Asked where Tony got his fictitious customers, he told Kroft, "They'll be people that would sell you a list of maybe \$10 per patient. And I'll buy 1,000, 10,000 maybe at a time. And then you just fill in the patient's name and you send it. And then I used the same patients with the same company and then the next company I used the same patients and I kept using them, and they'll pay for the same patient every time."

Once the crooked companies get hold of the patient lists, usually stolen from doctors' offices or hospitals, they begin running up all sorts of outlandish charges and submit them to Medicare for payment, knowing full well that the agency is required by law to pay the claims within 15 to 30 days, and that it has only enough auditors to check a tiny fraction of the charges to see if they are legitimate.

If they're not, it's usually people like 76-year-old Clara Mahoney who catch them.

She began to notice all sorts of crazy things turning up on her quarterly Medicare statements back in 2003 - things that Medicare paid for on her behalf that she had never ordered, never wanted and never received.

"Air mattresses, a wheel chair, urine bag for my leg," Mahoney said, listing some of the unwanted items Medicare was charged for on her behalf. "It was getting so I didn't wanna open up the explanation of benefits because you know, it's like, 'Oh, no. Not again.'"

Mahoney, who says she hasn't been sick in 30 years, began calling Medicare to tell them that someone was ripping them off. But the only responses she received were letters saying that someone was looking into it. The

bogus charges are still turning up on her statements.

"And I continued to report and I kept saying, 'Can't you flag my account? You know, I'm not getting any equipment or supplies. Nothing,'" she told Kroft.

They have been "looking" into Mahoney's issue for six years.

Once criminals like Tony get their hands on usable patient numbers, they try and charge Medicare for the most expensive equipment possible, which requires having access to a list of Medicare codes.

Asked what some of the best codes were, Tony told Kroft, "Artificial limbs, electric arms, electric wheelchairs. I mean, a regular patient, you can put them on two artificial legs and an artificial arm and they'll pay for it."

And that's what happened to former Federal Judge Ed Davis. He was one of those patients who started getting charges on his Medicare statement for artificial limbs.

"And I looked at it and it had charges for prosthesis. And I knew I had my arms," Judge Davis explained.

Though he has two healthy arms, his statement showed Medicare had been billed for a left and a right arm.

"Didn't anybody in Medicare check to see if any of these charges were valid?" Kroft asked Tony.

"Sometimes they'll do it. But by the time they did it, it was too late," Tony said. "We've already made \$300,000, \$400,000, \$500,000 on it. And then we will never send 'em nothing back. And then at 30 days they'll send an inspector to your office. And by that time...it's all closed down."

They would pay first and send an auditor later.

"Tony" claims he stole more than \$20-million dollars from the Medicare system before he was arrested.

(CBS) "There's somethin' I don't understand. I mean, you're saying essentially people just fill out the phony paperwork, they send a bill to Medicare and they pay it," Kroft remarked to Brian Waterman.

(Cont'd Pg 5)



A \$60 BILLION CRIME

(Cont'd from Page 4)

That's why you have companies that can run for 60, 90 days, and bill for ridiculous things. Because there are very few checks and balances to even determine whether these things a, were medically necessary, b, were ever given, or c, even physically possible for a patient with the kind of conditions they have," Waterman explained.

The FBI calls it "pay and chase." And riding around with them we saw plenty of examples. One tiny pharmacy in a Hialeah strip mall went from billing Medicare \$13,000 in May to billing nearly a million dollars a month later.

The small, now shut-down office billed \$800,000 in the month of June.

By the time we were there in August, the FBI says the owners had already burned the company, shut it down and moved on to another operation.

"We were here last week. There was stuff on the shelves. The business still had a name on it. You can still see from where the tape is that someone just took this off," Waterman told Kroft, standing outside the empty storefront.

To understand just how preposterous all of this is, the FBI says the tiny little store collected six times more money from Medicare in June than the largest Walgreen Pharmacy in the state of Florida.

It's quite an achievement, since neither the FBI nor the proprietor of the bingo parlor next door ever saw a customer coming or going.

"I've never seen people, only twice," the Bingo hall proprietor told Kroft. "No customers. It's always been locked."

We obviously had a few questions to ask the people at Medicare and requested an interview with the person in charge of preventing fraud. That turned out to be Kim Brandt, Medicare's director of program integrity.

"We went around with an FBI agent and a woman from Health and Human Services. They took us to storefront after storefront, billing three or four hundred thousand dollars a month. And they were completely empty. Nobody there. I mean, how do they get away with that?" Kroft asked.

"We're as frustrated by that as the law enforcement officials that you went out with. And in fact, our primary focus over the past years has been to tighten our enrollment standards to make it so it's much harder for people like that to be able to get in the program, and to be able to commit that kind of fraud," Brandt said.

"Look, I'm sure that you're aware of these problems. But it doesn't seem like you're doing a very good job. I don't mean you personally, but I mean, the government. This is still like a huge problem, and getting worse, right?" Kroft asked.

"Well, it really does come down to the size and scope of the Medicare program, and the resources that are dedicated to oversight and anti fraud work. One of our biggest challenges has been that we have a program that pays out over a billion claims a year, over \$430 billion, and our oversight budget has been extremely limited," Brandt said

About that there is little dispute: Medicare has just three field inspectors in all of South Florida to check up on thousands of questionable medical equipment companies.

"Clearly more auditing needs to be done and it needs to be done in real time," Attorney General Eric Holder said.

Asked why it has taken Medicare so long to figure out they were being scammed, Holder told Kroft, "I think lack of resources probably. And then I think people I don't think necessarily thought that something as well intentioned as Medicare and Medicaid would necessarily attract fraudsters. But I think we have to understand that it certainly has."

The Obama administration is providing Medicare with an additional \$200 million to fight fraud as part of its stimulus package, and billions of dollars to computerize medical records and upgrade networks, which should help Medicare catch more phony charges.

But Tony, who has just begun serving his 12 year prison sentence, says there's no shortage of people in Miami waiting to take his place.

Asked how many people in Miami were doing this, Tony said, "I'd say at least 2,000 people. At least 2,000, 3,000 companies."

He estimated that less than five percent of these companies were legitimate.

"If I went to the phone book and looked under medical equipment suppliers, 95 percent of the companies would be phony?" Kroft asked.

"Yes, sir," Tony replied.

Article taken from:
<http://www.cbsnews.com/stories/2009/10/23/60minutes/ain5414390.shtml?tag=contentMain:contentBody>

New Extra Help Application for 2010

In 2010 there will be some changes to the Extra Help application. Extra Help is a federal program that can help you pay for some or most of the costs of Medicare prescription drug coverage if your income and assets are below a certain level. **Even if you think you may not qualify for Extra Help apply anyway** because the Social Security Administration may allow other deductions which may make you eligible for the Extra Help.

When in doubt, fill it out!

You can apply for help paying for your Medicare drug benefit:

- through the Social Security Administration online application: <https://secure.ssa.gov/apps6z/i1020/main.html>. To be sure you get all the benefits you qualify for, complete the entire online application; or
- by calling the state SHIIP office 800-224-6330 for assistance; or
- by going to your local Medicaid Office. If you apply at your local Medicaid office, counselors there will check to see if you qualify for other assistance programs, such as a Medicare Savings Program.

If you can **ONLY** take a certain prescription brand and your plan does not cover the drug, then you can **ask the plan to make an exception**. You will need your doctor's support in order to get an exception. If denied, information about how to "appeal" a drug denial can be found on Medicare Interactive: www.medicareinteractive.org/page2.php?topic=counselor

Be aware of the following **SCAM(S)**:

DON'T GET SWEEPED UP IN A CHIMNEY SWEEP SCAM

LITTLE ROCK

"Chimney sweeping is not heavily regulated," said McDaniel, "which is why this is one area of home maintenance where the homeowner must be particularly vigilant."

When you wish to have your chimney inspected, repaired or cleaned, you should shop around for a respectable company to do the work. Look for a company that has been certified as a "Clean Sweep" by the Chimney Safety Institute of America. Once you have found a company, verify its reputation and job performance through your local Better Business Bureau, www.bbb.org. Do not be tempted to take an unsolicited door-to-door offer because it is cheap, as you will most likely see no return on the \$40 or \$50 up-front fee.

If you have fallen victim to a chimney sweep scam, file a complaint with the Public Protection Department of the Arkansas Attorney General's office at 501-682-2341 or toll-free, statewide at 1-800-482-8982.

AIRSHIELD. National retailer CVS Pharmacy, Inc., will pay nearly \$2.8 million in consumer refunds to settle FTC charges that claims for its "AirShield" dietary supplements were misleading. CVS' promotions said the product could protect against catching colds in crowded places, such as schools, airplanes, offices, health clubs, theaters, or restaurants. CVS marketed AirShield products by touting their similarity to widely advertised "Airborne," which settled FTC charges last year for making the same kind of misleading claims. Press release: www.ftc.gov/opa/2009/09/cvs.shtm.

FOR THE CONSUMER

The FTC's monthly newsletter for the Congressional community
Vol 8 No 10 October 2009

ALERT: Medicare Does Not Call You to Request Personal Information

The Kansas SMP recently shared information about a scam that was happening to Medicare beneficiaries in their state. A female caller stated that she was calling from Medicare and that the individual's file was flagged for Part D enrollment or for a change in Medicare coverage. She went on to say that she needed to verify the individual's Medicare number. Once she received the individual's Medicare number, the individual was transferred a second and third time. Each person that the individual spoke to tried to get additional personal information from her.

If you receive any phone calls from someone claiming to be from Medicare, Please Hang Up! Do not be pressured to provide any personal information. Never give out Medicare, Social Security, or bank account numbers to strangers. Do not accept "free" offers from door-to-door salesmen, telemarketers or magazine ads, and never sign a blank form.

Please report any suspicious phone calls or door-to-door salesmen to your local authorities.

New Medicare Requirements Take Effect for Suppliers of Medical Equipment and Supplies

New Standards Prevent Fraud and Promote Quality Care

To read the entire CMS fact sheet issued (10/1/2009) go to:
http://www.cms.hhs.gov/apps/media/fact_sheets.asp

Most suppliers of durable medical equipment, prosthetics, orthotics and supplies (DMEPOS) were required under Federal law to meet new quality standards by Oct. 1 and obtain a surety bond by Oct. 2, 2009.

These new supplier enrollment requirements will **help to pre-**

vent fraud in Medicare and ensure that people with Medicare get high-quality medical items and services from qualified suppliers.

Suppliers must post notice if they are not accredited by Medicare or have the beneficiary sign an Advanced Beneficiary Notice (ABN) before they are charged for the items or service.

Beneficiaries who need to find a new supplier click on "Find Suppliers of Medical Equipment in Your Area" on www.medicare.gov or call 1-800-MEDICARE.

To read the entire CMS fact sheet issued (10/1/2009) go to:
http://www.cms.hhs.gov/apps/media/fact_sheets.asp

MEDIGAP NEWS!

Beginning June 1, 2010 Medigap plans E, H, I and J will no longer be sold, but if **you already have one of those plans or if you buy it before June 1, you can keep it as long as you like.**

Two new plans—M and N—will be offered instead.

SMP 2010 CALENDAR OF UPCOMING EVENTS:

PROTECTING ARKANSANS

Registration 8:30am

Program Starts 9am—1:30pm

Go to <http://www.daas.ar.gov/asmp.html> to watch for updated dates/locations for *Protecting Arkansans events in 2010!*

SMP programs nationwide help Medicare and Medicaid beneficiaries fight healthcare fraud.

Check out news articles and press releases about the national SMP program: www.smpresource.org

Year-End Round-Up

Arkansas SMP

Highlights of 2009:

- ◆ The SMP Integration grant, in conjunction with UALR and the Tri-County Rural Health Network, is truly going to be an effort that we are confident all SMP programs nationwide will benefit from and be able to utilize in their endeavors to get the SMP message to beneficiaries in rural and hard-to-reach areas across the Nation;
- ◆ Our program was awarded the Best Practices award at National Conference in Washington, D.C. – where **Kathleen Sebelius** was the keynote speaker and whose support has boosted our program's national recognition;
- ◆ Through the *Protecting Arkansans* town hall meetings (together with the Attorney General's office, the Insurance Department, the Securities Department, the Banking Commission and AARP) our program was featured on an **AETN** call-in special for our successful efforts in satisfying the needs (wheelchair) of one of our hotline callers;
- ◆ Through our hotline over the past year, our program has handled close to 588 one-on-one counseling sessions;
- ◆ In 2009 the AR SMP SAVED or RECOUPED to AR beneficiaries and/or the Medicare system \$7,106.25;
- ◆ Through our travels across AR we have reached 1,266 AR beneficiaries and distributed over 21,000 pieces of informational materials to AR seniors.

DO YOU WANT TO MAKE A DIFFERENCE?

We are always looking for **VOLUNTEERS** like **YOU!**
We Can't Do It Without You!

Volunteers are needed to bring the SMP message to seniors statewide at health fairs, senior expos, and any gatherings of Medicare beneficiaries.

Providing education to prevent healthcare errors, fraud, and abuse is essential in maintaining the integrity of the Medicare program. "**The strongest defense against crime is not law enforcement, it is informed citizens,**" said HHS Secretary Kathleen Sebelius, at an AoA-sponsored conference in Washington in August of 2009 during a keynote address to program volunteer coordinators and trainers.

Teach other Medicare beneficiaries in your community what you have learned ... and more! You can help fight

Medicare fraud, waste and abuse by simply helping other Medicare beneficiaries, your peers, learn to review their Medicare Summary Notices for accuracy.

Maybe you would like to distribute materials in your area, or host a booth at a community event? Perhaps assisting other seniors with Part D enrollments would interest you! Or, you may enjoy making presentations at a local senior center or to your friends, or your church group, bridge club, golf club, civic club, or any other group or organization you may be involved with?

Won't you do your part? Please join the effort to help save our precious healthcare dollars for the care that you or your loved one may someday need!

—There are plenty of opportunities awaiting you as a volunteer with the SMP program!

Please email katheen.pursell@arkansas.gov; or call **1-866-726-2916**

Is there opportunity for an SMP presentation in your area? **1-866-726-2916**

ARE YOU A CAREGIVER?

Oftentimes, caregivers do not realize that they are caregivers until they become overwhelmed with responsibilities. If you know someone who is in a care giving role, please take some time to give them a call or offer to provide respite or any other help that they might need.

DID YOU KNOW that some community colleges are gearing up to train caregivers?

The National Council on Aging recently reported that "The International Longevity Center, with support from MetLife Foundation, selected 15 community colleges to receive \$20,000 grants for caregiver training programs in 2009. The grants are part of the Caregiving Project for Older Americans, a partnership of the International Longevity Center (www.ilcusa.org) and the Schmieding Center for Senior Health and Education, and are intended to address a growing caregiving crisis by encouraging the expansion of caregiver training programs for family caregivers and in-home care workers.

In Arkansas, **Southeast Arkansas College** (Pine Bluff, Arkansas), <https://www.seark.edu/> is the caregiving grantee which will provide classes to train both family caregivers and in-home care workers, providing career opportunities to both the unemployed as well as seniors seeking to supplement retirement income.

<http://www.healthcarefinancenews.com/news/community-colleges-awarded-20k-caregiver-training-programs>

"More than ever, people who need quality homecare are having difficulty finding it, and families who often provide care are facing greater challenges balancing work and home responsibilities."

Dr. Robert N. Butler



Ask Medicare is a web resource that helps those who care for people with Medicare.

It provides information, tools and materials to assist the caregiver and their loved ones in making informed healthcare decisions:

<http://www.medicare.gov/Caregivers/>

To access the **Ask Medicare eNewsletter** log onto:

http://www.cms.hhs.gov/MyHealthMyMedicare/10_AskMedicare.asp#TopOfPage

Tell CMS what you care about!
caregiver_comments@cms.hhs.gov

Prevent Fraud — Check Your MSN

People with Medicare get a **Medicare Summary Notice (MSN)** every 3 months that shows all the supplies and services they received. You should always check the MSN to make sure you or your loved one got everything that's listed.

If you suspect a problem, call the Inspector General's hotline at 1-800-HHS-TIPS, or the **AR SMP** hotline at **866-726-2916**.



Access Your Personal Medicare Information — It's Free!

Register with www.MyMedicare.gov, Medicare's secure online service, and you can:

- Track your health care claims
- Check what you've paid toward your Part B deductible
- Track your preventive services
- Get "Medicare & You" electronically

Medicare automatically mails instructions and a password for to people who are newly eligible.

If you have not registered for MyMedicare.gov, you can register by clicking "**Sign Up**" — There is even an online demo! Start the demo by clicking [access the online demo](#) under Registration Information.

If you enter an email address when you register online you will receive the password immediately via email; otherwise, it may take 2 weeks to receive your password in the mail.

IF YOU CAN'T AFFORD TO PAY FOR YOUR PRESCRIPTIONS...

Don't go without your medicine just because you can't afford it. **APPLY FOR HELP** online (the fastest way to get started) at this secure website: <https://secure.freemedicine.com/app.php> or call **1-573-996-3333** to request a free brochure and application be mailed to you.

2010 Part B Monthly Premium

Most people with Medicare will NOT see their Part B premium increase in 2010. Their Part B premium will stay at **\$96.40** per month because there's no cost-of-living increase in Social Security benefits this year. In 2010, some people will have to pay a higher Part B premium. It will increase to **\$110.50** per month if your premium is not withheld from your Social Security check or if you recently enrolled in Medicare. Your premium will also increase if your adjusted gross income is above \$85,000 if you are single or \$170,000 if you are married.

If you have questions about your Part B premium, call Social Security at 1-800-772-1213, or visit www.socialsecurity.gov

DO YOU QUALIFY?

If you have high medical expenses and your income is too high to qualify for Medicaid, you may qualify for the **Spend-Down Program** for medically needy. This program allows you to count your medical expenses toward reducing your income in order to qualify for Medicaid.

For more information call your local DHS office log onto:

www.arkansas.gov/dhs/NewDHS/CountyOffice/DHSCountyOffices.htm

DID YOU KNOW?

Patient Assistance Programs (PAPs) are offered by drug manufacturers to assist people with low income in affording their medications.

Arkansas' non-profit low income prescription assistance program is Arkansas Health Care Access Foundation, Inc. — **1-800-950-8233** or **1-501-221-3033**



When will you reach the Doughnut Hole?

In 2010 you will reach the doughnut hole after **you and the plan** have spent **\$2830** toward covered drugs. Catastrophic coverage will begin after **YOU ALONE** pay **\$4550** in out of pocket costs for covered drugs. Your Medicare drug plan should keep track of how much money you have spent out-of-pocket on your covered prescription drugs and how close you are to the coverage gap. This information should be printed on your monthly statements. To make sure this information is correct, you should **keep your receipts from the pharmacy.**

If you have any questions about Medicare you can call the Medicare Rights Center—**Medicare Interactive Hotline** M-F 8am-4pm **1-800-333-4114** or log onto www.MedicareInteractive.org.

When is the best time to buy a Medigap policy?

The best time to buy a Medigap policy is during your Medigap open enrollment period. This period lasts for 6 months and begins on the first day of the month in which you are **both** age 65 or older **and** enrolled in Medicare Part B. Some states have additional open enrollment periods. During this period, an insurance company can't use medical underwriting. This means the insurance company **can't do any of the following:**

- Refuse to sell you any Medigap policy it sells
- Make you wait for coverage to start (some exceptions)
- Charge you more for a Medigap policy because of your health problems

The "Medicare & You" 2010

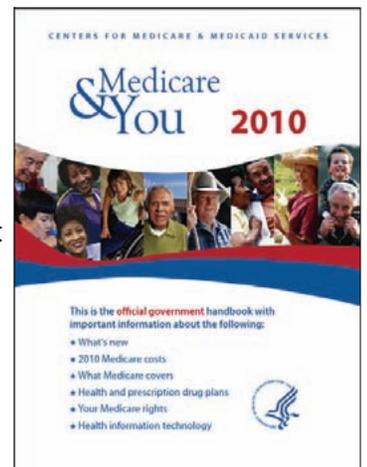
Handbook is online now at www.medicare.gov

Included in the Handbook this year is information about changes to Medigap and the mental health co-payment for outpatient services.

You can also learn how to manage your health information by computer. (Pg 127)

**SMP PROGRAM
MENTIONED ON PAGE 95!**

Check it out!



May you live all the days of your life!

— Jonathan Swift

JANUARY 1—MARCH 31

Annual Open Enrollment Period

Enrollment Periods That Happen Every Year

Every year, you have a chance to make changes to your Medicare Advantage or Medicare prescription drug coverage for the following year. There are two different enrollment periods each year. See the chart below for specific dates.

Enrollment Period	What You Can Do
<p style="text-align: center;">January 1–March 31</p> <p>Open Enrollment Period for Medicare Advantage Plans Only</p> <p>Note: <u>You cannot make any changes to your drug coverage during this period.</u> If you already have drug coverage, you must keep it, either through a Medicare Advantage Plan or a Medicare Prescription Drug Plan. If you don't have drug coverage, you can't add it during this period.</p>	<p>If you have a Medicare Advantage Plan with drug coverage, you can do one of the following:</p> <p>Switch to a different Medicare Advantage Plan with drug coverage.</p> <ul style="list-style-type: none"> Drop your Medicare Advantage Plan, go back to Original Medicare, and join a Medicare Prescription Drug Plan. <p>If you have a Medicare Advantage Plan without drug coverage, you can do one of the following:</p> <p>Switch to a different Medicare Advantage Plan that doesn't have drug coverage.</p> <ul style="list-style-type: none"> Switch back to Original Medicare. <p>If you have Original Medicare and a Medicare Prescription Drug Plan, you can join a Medicare Advantage Plan that includes drug coverage.</p> <p>If you have Original Medicare with no drug coverage, you can join a Medicare Advantage Plan that doesn't include drug coverage.</p>
<p style="text-align: center;">November 15–December 31</p> <p>Open Enrollment Period for Medicare Advantage AND Medicare Prescription Drug Coverage</p>	<ul style="list-style-type: none"> Change from Original Medicare to a Medicare Advantage Plan. Change from a Medicare Advantage Plan back to Original Medicare. Switch from one Medicare Advantage Plan to another Medicare Advantage Plan. Switch from a Medicare Advantage Plan that doesn't offer drug coverage to another Medicare Advantage Plan that offers drug coverage. Switch from a Medicare Advantage Plan that offers drug coverage to another Medicare Advantage Plan that doesn't offer drug coverage. Join a Medicare Prescription Drug Plan. Switch from one Medicare Prescription Drug Plan to another Medicare Prescription Drug Plan. Drop your Medicare Prescription Drug coverage completely.

IMPORTANT PHONE NUMBERS:

AANHHR - AR Advocates for Nursing Home Residents
501-224-8431

AFMC - Arkansas Foundation for Medical Care
1-800-272-5528

Arkansas Attorney General 1-866-810-0016

**Arkansas Attorney General Consumer
Protection Division** 1-800-482-8982

APS Hotline - Adult Protective Services
1-800-482-8049

AR-GetCare (Directory of Community-Based Services)
1-866-801-3435

Arkansas SMP 1-866-726-2916
(Empowering Seniors to Prevent Healthcare Fraud)

Better Business Bureau (BBB) 501-664-7274

CMS— Centers for Medicare and Medicaid Services
(Fraud Unit) 1-800-633-4227

Community Health Centers of Arkansas
1-877-666-2422

DHS—Choices in Living Resource Center
1-866-801-3435

Do Not Call Registry 1-888-382-1222

Elder Care Locator 1-800-677-1116

Federal Trade Commission
Report STOLEN IDENTITY 1-800-438-4338

Medicaid (Customer Assistance Unit) 1-800-482-8988

Medicaid (Arkansas State) 1-800-482-5431

MEDICARE (1-800-Medicare) 1-800-633-4227

Medicare Part D 1-877-772-3379

Medicare Rights Center—Medicare Assistance Hotline
1-800-333-4114

National Consumer Technical Resource Center
1-877-808-2468

National Medicare Fraud Hotline (1-800-HHS-TIPS)
Office of Inspector General 1-800-447-8477

OLTC—Office of Long Term Care 1-800-LTC-4887

OLTC—Abuse Complaint Section 501-682-8430

Ombudsman—Statewide—Office of Long Term Care
501-682-8952

Senior Circle (Northwest Health System)—Fun,
fellowship, discounts, privileges 1-800-211-4148

SHIIP - State Health Insurance Information Program
1-800-224-6330

SSA (Social Security Administration) 1-800-772-1213
Little Rock Office 1-866-593-0933

SSA Fraud Hotline 1-800-269-0271

UALR Senior Justice Center 501-683-7153

UofA Cooperative Extension Service 501-671-2000

HELPFUL WEBSITES:



AR-GetCare— www.ARGetCare.org
(Directory of Community-Based Services)

AR Advocates for Nursing Home Residents—
www.aanhr.org; **email:** Info@aanhr.org

AR Long Term Care Ombudsman Program—
www.arombudsman.com

Arkansas 2-1-1— www.arkansas211.org
(Get Connected. Get Answers)

Arkansas Attorney General— www.arkansasag.gov

**Arkansas Attorney General Consumer Protection
Division**—**email:** consumer@ag.state.ar.us

Area Agencies on Aging—www.daas.ar.gov/aaamap.html

Arkansas Foundation for Medical Care—www.afmc.org

Arkansas SMP—www.daas.ar.gov/asmp.html

BBB (Better Business Bureau)—www.bbb.org

(CMS) Centers for Medicare and Medicaid Services—
www.cms.hhs.gov

Elder Care Locator— www.eldercare.gov

H.E.A.T—Healthcare Fraud Prevention and
Enforcement Action Team (Turning Up the HEAT
to Stop Medicare and Medicaid Fraud—
<http://www.hhs.gov/stopmedicarefraud/>

MEDICARE— www.medicare.gov

Medicare Interactive Counselor—
www.medicareinteractive.org

Hospital Compare— www.hospitalcompare.hhs.gov

MyMedicare.gov— www.mymedicare.gov
(Access to your personal Medicare claims information)

MyMedicareMatters.org (National Council on Aging)

Office of Long Term Care— [www.medicaid.state.ar.us/
InternetSolution/general/units/oltc/index.aspx](http://www.medicaid.state.ar.us/InternetSolution/general/units/oltc/index.aspx)

Office of Inspector General— **email:**
HHSTips@oig.hhs.gov

Pharmaceutical Assistance Program—
medicare.gov/pap/index.asp

Social Security Administration—
www.ssa.gov/dallas/state_ar.html

UofA Cooperative Extension Service—
www.uaex.edu (or) www.arfamilies.org

Working Disabled—www.workingdisabled-ar.org

OUR MISSION

TO EMPOWER SENIORS

- *Medicare/Medicaid beneficiaries
- *People with disabilities
- *Nursing home residents & their families
- *Caregivers



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 to prescription drug receipts and record them in 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 by your doctor, etc.

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 healthcare providers
- *Retired professionals, *e.g.*, teachers, accountants, attorneys, investigators, nurses

SMP SUBGRANTEES

El Dorado Connections RSVP

El Dorado, AR 71730
870-864-7080

EOA of Washington County RSVP

Springdale, AR 72764
479-872-7479

The Literacy Council of Jefferson County

Pine Bluff, AR 71601
870-536-7323

Texarkana RSVP

Texarkana, AR 71854
870-779-4983

RSVP of Central Arkansas

North Little Rock, AR 72114
501-604-4527

RSVP of Benton, Carroll & Madison Counties

Bella Vista, AR 72715
479-876-5960

Tri-County Rural Health Network, Inc.

Helena, AR 72342
870-338-8900

UALR Senior Justice Center

Little Rock, AR 72204
501-683-7511



P. O. Box 1437 Slot S530
Little Rock, AR 72203-1437

Toll-Free: 1-866-726-2916

<http://www.daas.ar.gov/asmp.html>