Nebraska SMP
Empowering Seniors To Prevent Healthcare Fraud

SMP Briefs

The SMP Program (Senior Medicare Patrol) educates and empowers people with Medicare to identify and report health care fraud and resolve errors.

There is a SMP Program in every state, the District of Columbia, Guam, U.S. Virgin Islands, and Puerto Rico. Nebraska SMP Program serves the entire state through a network of eight local coordinators and over 130 volunteers. Visit **www.dhhs.ne.gov/smp** or call **1-800-942-7830.**

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SCAM ALERT! Some of the latest scams you should be aware of are listed below. Scams often cross state lines and quickly proliferate throughout the nation.

Nebraska consumer received a check in the mail with instructions to cash it, deduct $200 for personal expenses, make purchases at a local grocery store and then wire the rest of the money back to the company. A senior received billing statements from credit card companies even though they did not have an account with the credit card company. Telephone scams asking seniors to verify their Medicare number and bank account information have been on the rise in recent months. A large number of seniors in Nebraska reported automated phone calls from a company representing Phillips Lifeline Alert out of Framingham, MA, offering free service, asking them to push a number to order and asking for their credit card number. An email scam related to an investment scheme sought the beneficiary's personal information. The Nebraska Attorney General's Office has received grants to take on white collar crime, especially Medicare and Medicaid fraud. With these grants they will be able to prosecute offenders.
Last year, $25 million was recovered in Nebraska from Medicare/Medicaid fraud. The Attorney General's Office has cautioned Nebraskans that there is no reason to verify their Social Security or Medicare numbers. People do not need to change insurance companies for Medicare Part D. A company is sending a notice to people to verify their Social Security number and Medicare number and then trying to sell them long-term annuities. Even phone numbers on the Do Not Call registry are receiving calls. One group says they can call those on the Do Not Call registry because they are giving 50 percent of the monies collected to charity. The Attorney General's Office warned that this is not true. Another group from Omaha calls to sell siding. Yet, another group called MSR tries to sell security systems and asks for Social Security numbers as a background check.

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Medicare cards pose social security number fraud risk

Source: The following article is printed with permission from the Sentinel, August 2012.

by Nancy Aldrich and Bill Benson

Replacing the Social Security number (SSN) on an estimated 50 million Medicare cards with a new number seems like a simple way to prevent identify theft and SSN fraud, but the cost may be prohibitive.

House Ways and Means Social Security Subcommittee Chairman Sam Johnson (R-TX) and Health Sub-committee Chairman Wally Herger (R-CA) held a joint hearing on Aug. 1 on removing SSNs from beneficiaries' Medicare cards. In announcing the hearing, Johnson said, "Seniors are urged not to carry their Social Security card to protect their Social Security number, but at the same time are being told they must have their Medicare card with them at all times in order to get health care. This makes no sense." But Center for Medicare & Medicaid Services (CMS) Office of Information Services Tony Trenkle said it is more complicated than printing 50 million new Medicare cards. "It is going to be a massive undertaking if we go down this road," he said, because the SSN is tied to multiple processing systems at the state and federal levels. "The SSN is used as the basis for beneficiary identification because it is fundamental to multiple CMS systems required to process and track beneficiary claims and enrollment, to conduct our anti-fraud and quality improvement efforts, and to coordinate with the Railroad Retirement Board and state Medicaid programs across the country."

It would also be costly. In November 2011, CMS outlined options for removing SSNs from Medicare cards. Each option would cost more than $800 million and take four years to test and implement. One option proposed by CMS would be to just use the last four digits of the SSN on the Medicare card; however, beneficiaries and providers would still need to use the full number for accounting and billing. Another option is to replace the SSN with a new Medicare Beneficiary Identifier number.

CMS takes ID theft protection and medical fraud very seriously, Trenkle said, noting that CMS:

- ★ Has removed SSNs from Medicare Summary Notices mailed to beneficiaries quarterly
- ★ Has prohibited private Medicare health and prescription drug plans from using SSNs on enrollees' insurance cards (e.g., insurance cards for Medicare Advantage, cost contract, and Part D prescription drug plan enrollees)
- ★ Is engaged in educating beneficiaries about how to prevent medical identity theft and Medicare fraud.

Kathleen King, Government Accountability Office (GAO) health care director, criticized the CMS cost estimates as inadequate, but said GAO did not have enough information to come up with its own estimates. CMS said it would conduct a new estimate and use GAO's suggestions to strengthen its estimating methodology.

According to the U.S. Department of Justice, 7 percent of households in the United States, or about 8.6 million households, had a least one member age 12 or older who experienced identity theft in 2010. Of these households, more than 1 million were headed by seniors, age 65 and older. SSNs are especially valuable to identity thieves as they authenticate an individual's identity to open accounts or obtain other benefits in the victim's name. The estimated financial cost of identity theft during that year was approximately $13.3 billion, King said.

Legislation passed by the House in 2008, but not by the Senate, would have required the removal of SSNs from Medicare cards (H.R. 6600, the "Medicare Identity Theft Prevention Act of 2008.) Similar legislation pending this year (H.R. 1509) has not been acted on in the House.

The Office of Inspector General (OIG) issues report on medical identity theft

Source: Full report https://oig.hhs.gov/oei/reports/oei-02-10-00040.pdf, October 2012

The OIG has issued an interesting report on medical identity theft. Following are highlights that may be of interest to SMPs. The primary topic of the report discusses the issue of Centers for Medicare and Medicaid Services (CMS) data breaches.

Medical identity theft is the appropriation or misuse of a patient's or a provider's medical identifying information (such as a Medicare identification number) to fraudulently obtain or bill for medical care. It can create patient safety risks and impose financial burdens on those affected. Medical identity theft may also leadto significant financial losses for the Medicare Trust Funds and taxpayers.

Compromised number database

CMS' compromised number database, first released in February 2010, contains beneficiaries' and providers' Medicare identification numbers that have been involved in, or suspected of having been involved in, medical identity theft and those that are vulnerable to medical identity theft.

The report goes on to state that CMS' response to medical identity theft has centered on maintaining a database of compromised beneficiary and provider numbers. As of February 2012, the database contained the Medicare numbers of almost 284,000 beneficiaries and 5,000 providers, and includes classifications indicating the level of risk associated with each compromised number. Numbers are classified as high, medium, or low risk. The majority of the numbers in the database were classified as medium risk. See the table below for a summary of the risk-level information in the database.

Risk Level	Medicare Beneficiaries	Medicare Providers
High	56,164	1,383
Medium	213,792	3,547
Low	13,616	32
Total	283,572	4,962

CMS contractors do not consistently develop edits to stop payments on compromised numbers

Most benefit integrity contractors cited claims processing edit as a powerful tool against medical identity theft. When a contractor develops an edit for a compromised beneficiary or provider number, the contractor can deny claims that contain that number or identify claims for further scrutiny.

Contractors vary in the extent to which they develop edits for compromised numbers . . . Contractors reported they consider potential consequences when deciding whether to develop edits. For instance, contractors do not want to limit access to needed services for a beneficiary whose number has been stolen. Taking this into account, a contractor may put edits in place for certain types of services, such as durable medical equipment, but may allow other services, such as emergency room visits. Another consequence is that edits can conflict with criminal investigations, as payment delays and claim denials can tip off fraudulent billers. Law enforcement agencies might request that contractors refrain from developing an edit so that law enforcement can track claims and build a criminal case. In these instances, contractors can work with law enforcement to come to an agreement on when to stop claim payments.

The report describes system barriers to issuing new Medicare numbers, in spite of many recommendations for change from CMS Contractors and the Social Security Administration. It describes consequences to beneficiaries whose number has been compromised: "…there is no standard procedure for ensuring that beneficiaries retain their access to services if their Medicare numbers have been misused by others. If a beneficiary's number is misused, a claim for a service or an item resulting from the misuse is included in the beneficiary's Medicare billing history. This could delay or prevent beneficiaries from receiving needed services, particularly when these services are subject to a cap."

SMP staff and volunteers should continue to educate beneficiaries about medical identity theft.

- ★ Never give out your Medicare number.
- ★ Protect your Medicare and Medicaid card as you would your credit cards.
- ★ Never allow anyone to convince you to contact your physician requesting a service that you do not need.
- ★ Be cautious of "free" offers that require your Medicare or Medicaid number.
- ★ Never accept medical supplies or equipment from a door-to-door salesman
- ★ Always review your Medicare Summary Notice to ensure that it properly reflects the services you received.
- ★ Always keep a record of your health care appointments and the services you received and compare them to your Medicare Summary Notice.
- ★ Always get a receipt for rented medical equipment that you return.

OIG conducts study on Part D: Inappropriate Medicare Part D payments for schedule II drugs billed as refills

Source: HHS Office of Inspector General (OIG) study OEI-02-09-00605, September 2012.
See full report at http://go.usa.gov/Yx7C

Reason for the study

Schedule II drugs have the highest potential for abuse of any prescription drugs legally available in the United States. They include narcotics commonly used to relieve pain and stimulants. Federal law prohibits the refilling of prescriptions for them. In addition, Schedule II drugs cannot be dispensed without a prescription that contains the name, address, and signature of the prescriber.

OIG based this study on an analysis ofprescription drug event records. Sponsors submit these records to CMS for each drug dispensed to beneficiaries enrolled in their plans. Each record contains information about the pharmacy, prescriber, and drug. OIG analyzed all the records for refills of Schedule II drugs that were billed in 2009.

Findings

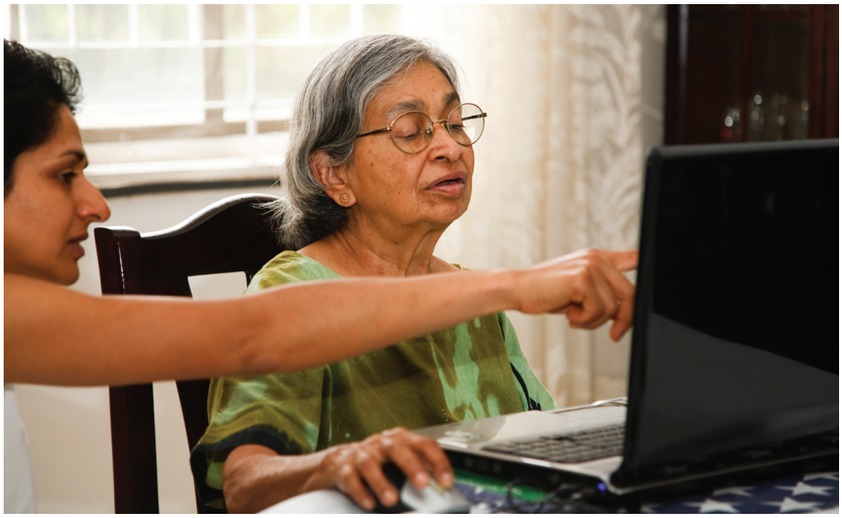
Medicare Part D inappropriately paid $25 million for Schedule II drugs billed as refills in 2009. OIG concluded, sponsors should not have paid for any of these drugs because Federal law prohibits the refilling of Schedule II controlled substances. Some of these drugs may have been inaccurately billed. It is possible that some long-term-care pharmacies incorrectly billed these drugs as refills when they were partial fills. Partial fills occur when a pharmacist does not dispense all doses of the prescribed medication at one time. Several concerns were cited, including partial fills inaccurately billed as refills; over 25,000 Schedule II refills had invalid prescribers and lastly, three-quarters of Part D sponsors paid for Schedule II drugs billed as refills, indicating that many sponsors do not have adequate controls to prevent these refills.

OIG recommendations to CMS

1. Issue guidance to sponsors to prevent billing of Schedule II refills and to ensure accurate billing of partial fills;
2. Exclude Schedule II refills when calculating payments to sponsors;
3. Monitor sponsors to ensure that they validate prescriber numbers for Schedule II drugs; and
4. Follow up on sponsors, pharmacies, and prescribers with high numbers of refills.

CMS concurred with the above recommendation to monitor sponsors to ensure they validate prescriber numbers and partially concurred with the other three recommendations.

Nebraska SMP awarded new capacity building expansion grant



Nebraska SMP has been awarded a new one-year grant to expand the capacity of its SMP program. This is the third consecutive year that Nebraska SMP has received the Capacity Building Expansion grant. The grant for over $88,700 will allow Nebraska SMP to continue efforts to educate seniors to prevent healthcare fraud. Nebraska SMP plans to continue to recruit and train new volunteers, targeting underserved areas in the Panhandle and Western regions and enhance outreach to limited English-speaking minorities in the state. The grant will allow the Nebraska SMP Project to enhance visibility using multi-media methods including print advertisements, radio and television ads, web banner and billboards. New outreach materials will be developed such as brochures in braille and large print and a cultural competency toolkit.

The SMP program is overseen by the U.S. Department of Health and Human Services Administration for Community Living working in collaboration with the Centers for Medicare and Medicaid Services and the HHS Office of Inspector General.

Meet our partners!

Nebraska SMP has an active Steering Committee that meets quarte SMP-related fraud and abuse issues and receive updates from partr organizations. Representatives from the following organizations se the Steering Committee: SHIP (Senior Health Insurance Informatic Program), AARP, TRIAD (a partnership of three organizations – law enforcement, senior citizens and community groups), CIMRO (a quality improvement organization), Medicaid Fraud Control Unit in the Attorney General's Office, representative from the Consumer Protection Unit in Attorney General's Office, Depart of Health and Human Services Program Integrity staff, Nebraska Medical Society, IntegriGuard Program Safeguard Contractor, Lon Care Ombudsman, Adult Protective Services, Senior Center Association, Area Agencies on Aging, Aging and Disability Resource Center (ADRC), Better Business Bureau, Office of Health Disparities and Health Equity,
and SMP Director and local coordinators.

SMP Briefs features a column written by one of these SMP partners. In this issue the featured article is by CIMRO of Nebraska.

Overview of CIMRO of Nebraska

by Ted Fraser, Vice President, Quality Improvement Organization Programs, CIMRO

Since 2003, CIMRO of Nebraska has served as the Medicare Quality Improvement Organization (QIO) for the state of Nebraska. We work with healthcare organizations to assure that services delivered are appropriate, safe and high quality. We also educate consumers about their rights and what can be done to ensure they receive the right care, at the right time, every time. Our team of quality improvement professionals is dedicated to our vision of making healthcare in Nebraska the nation's best.

The QIO Program is the largest federal program dedicated to improving health quality at the community level - under contract with the Centers for Medicare & Medicaid Services (CMS). In partnership with patients, providers and practitioners, CIMRO of Nebraska and QIOs across the country engage providers in rapid-cycle projects for collaborative learning and action that accelerate healthcare quality improvement. QIOs also protect Medicare beneficiaries by reviewing quality complaints and applying what is learned to improve the way providers deliver healthcare.

SMP staff attend regional conference

Nebraska SMP staff attended the Regional Conference in Grand Rapids, Michigan, in August. The conference theme, "Telling our Story: SMPs Making a Difference" featured panel discussions on healthcare fraud trends and state and federal leadership. An entire day was dedicated to the volunteer risk and program management system workshop. Other topics included fraud case processing and evaluating SMP data. Tami Barrett, local Nebraska SMP Coordinator for Aging Partners, served on two panels with presentations on media outreach/reaching special populations and partnerships panel. The participants were shown the new SMP television ad and learned about Nebraska's success with media outreach including radio, television and print media, billboards, banners on partner websites and SMP on Nebraska football poster. Tami shared successful partnership development with the Senior Companion and Foster Grandparent programs as well as, outreach to special populations such as the Ponca Tribe, outreach at Indian Health Clinics and the Asian Center to reach Vietnamese and Sudanese seniors. The presentations were well received.

"Telling our Story: SMPs Making a Difference" featured panel discussions on healthcare fraud trends and state and federal leadership.

COORDINATORS' CORNER

Blue Rivers area agency on aging

Media activities included ads and articles in the Beatrice Sun, postings on Fairbury.com and an article published in the Good Samaritan Society-Syracuse. Community outreach included a number of presentations: Southeast Community College, Warren's Dinner Tables, Fairbury Gardens HUD Housing, Carstens Gardens Apartments, Chester Senior Center in Thayer County and Burchard Senior Center in Pawnee County

Northeast Nebraska area agency on aging

Media activity included development of a box ad to run for one year on a city news daily newspaper, shred even in three counties and publicizing shred events in communities. Community outreach presentations included health fairs in Boyd and Burt county health fairs, Dakota-Thurston County Fair, Decatur, Albion and Wausa shred events, presentation to Columbus Hospital employees, Governing Board presentation. Local coordinator partnered with several local eye clinics, hospitals and cancer radiation center by distributing eye glass cleaning cloth and fraud information.

Midland area agency on aging

Outreach presentations and counseling were conducted at the Nebraska State Fair, county directors, Nuckolls County Fair and presentation at congregate meal sites. Local coordinator reported several scams during July – September period.

South Central Nebraska area agency on aging

Local coordinator started running the SMP television ad on NTV about five to six times a week through September. Several outreach events were conducted during the quarter at senior centers, nursing homes, and housing agencies and provided one-on-one counseling to several Medicare beneficiaries. A shred event was held at the Phelps County Senior Center in Holdrege. Local coordinator reported several scams and handled fraud cases. Cases were entered in SMART FACTS database.

Eastern Nebraska office on aging

Four new volunteers were recruited and trained during the quarter. Volunteers Assisting Seniors newsletter was published and distributed. Staff conducted in-service trainings for volunteers. Staff and volunteers made fraud presentations at long-term care facilities, senior centers, Nebraska Medical Center, Catholic Charities and Rehab Centers. Staff investigated fraud cases and entered them in SMARTS FACTS. Local coordinator attended the Regional Conference in Grand Rapids, Michigan.

West Central Nebraska area agency on aging

Staff and volunteers conducted outreach at health fairs in Chase County and at Life Styles. The events were attended by several hundred people. Three new volunteers were recruited and trained. Staff and volunteers reported several scam reports.

Aging partners

A new bilingual volunteer was recruited and trained and a recently hired volunteer was provided orientation. Staff and volunteers conducted outreach events at senior centers, long-term care facilities and rural health clinics in Friend, Geneva and Milford. Volunteers presented on Medicare Summary Notice redesign. SMP volunteer helped schedule presentations for fall. Several fraud cases were entered in SMART FACTS and referred to ZPICs.

Statewide elder rights and senior fraud prevention training slated for December 6

Recent legislative developments in elder law

- ★ New Power-of-Attorney Law
- ★ Transfer on Death Deeds

Margaret Schaefer, Elder Access Line Attorney, Legal Aid of Nebraska.

Financial fraud victimization

Cindy Koenig-Warnke, Investigator, Lincoln Police Department

Identity theft and scams defined

V.T. Miller, TRIAD Volunteer

Common consumer frauds and scams and personal and medical identity theft

Panelists: Teresa Stitcher Fritz, Better Business Bureau; Morgan Rogers, Attorney General's Office; and Tami Barrett, Senior Medicare Patrol Coordinator, Aging Partners

The role of mediation in elder care

Romney Reutzel Olson, Director, Mediation Services at the Mediation Center

Protecting consumers from wire fraud

Shelley Bernhardt, Director of Global Consumer Protection Program, Western Union, Colorado

Shelley develops fraud prevention training for Western Union agents and the general public on how to spot and avoid financial scams when using money transfers. Phishing, online auction, and fake check scams continue to be some of the most commonly reported scams to the National Consumers League's Fraud Center, and Shelley and the agents at Western Union see these scams firsthand.

Identity theft and fraud prevention

Featured Speaker: *Jeff Lanza,* Retired FBI Agent, Author

Jeff Lanza was an FBI Special Agent for over 20 years. He investigated corruption, fraud, organized crime, cybercrime, human trafficking and terrorism. He appears regularly on the Fox News Channel and has informed the public about other national programs including the Today Show, Good Morning America, Dateline, Larry King Live, among others. He is passionate about keeping people and organizations safe from risk and has presented to thousands around the globe. His clients include many Fortune 500 companies. His latest book, "Pistols to Press," has received critical acclaim from national media figures.

Co-sponsored by the Elder Law Section of the Nebraska State Bar Association and the Department of Health & Human Services, Medicaid and Long-Term Care Division, State Unit on Aging Elder Rights Coalition

Registration information will be posted at www.dhhs.ne.gov/AgingTraining

UPCOMING EVENTS

TODAY IS
FALL
Months

October, November, December

TODAY IS
10
October
Complex Issues Webinar Series

TODAY IS
10
October
SMP Steering Committee Meeting

TODAY IS
17
October
SMART FACTS "Back to Basics" Series Webinars

TODAY IS
30
October
SMART FACTS "Back to Basics" Series Webinars

TODAY IS
3
October
Coordination of Volunteers Networking Session Conference Call

TODAY IS
9
October
SMP Mentor Calls

October
SHIP Update Trainings

TODAY IS
15
November
SMART FACTS "Back to Basics" Series Webinars

TODAY IS
13
November
SMP Mentor Calls

TODAY IS
6
December
Elder Rights and Senior Fraud Prevention Training

TODAY IS
13
December
Complex Issues Webinar Series

TODAY IS
5
November
Volunteer Risk and Program Management Work Group Meeting

TODAY IS
7
November
Complex Issues Webinar Series

TODAY IS
11
December
SMP Mentor Calls

TODAY IS
1
November
Coordinators' Conference Call