

# ***MEDICARE MAYHEM: HOW UNSCRUPULOUS BUSINESSES TARGET YOUR BENEFITS***



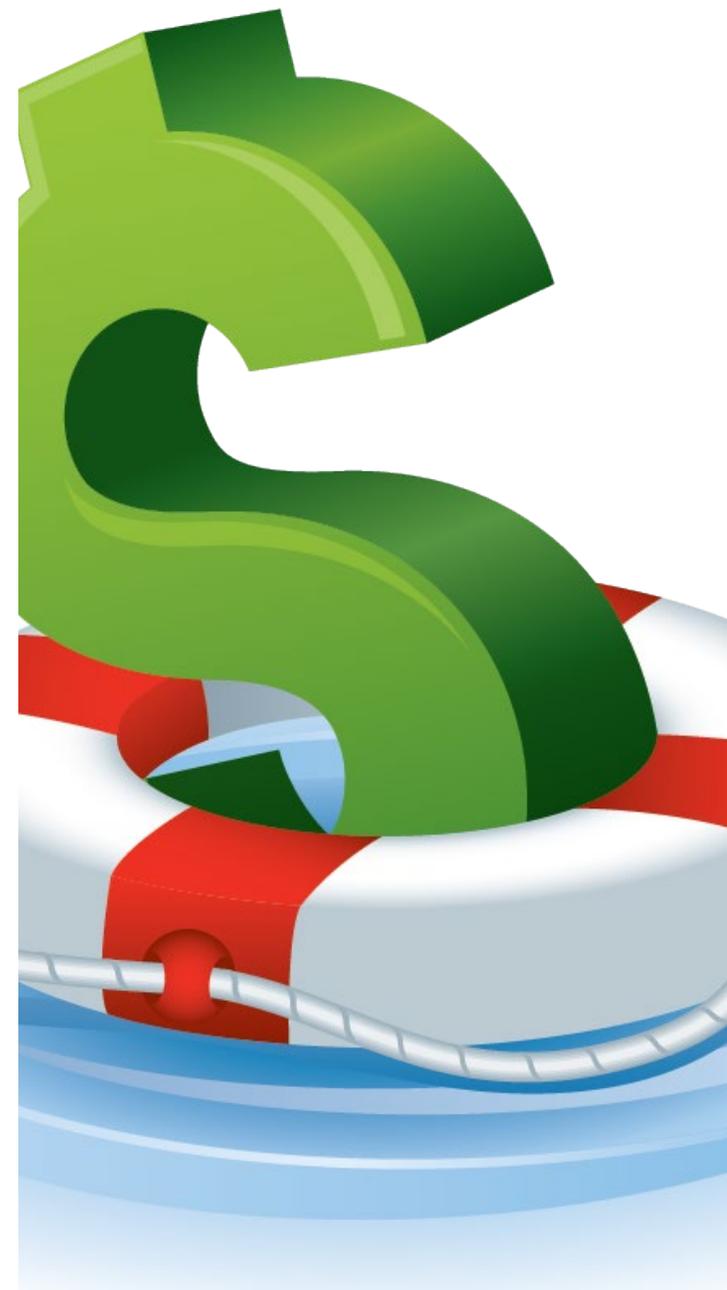


## **Medicare Fraud**

Medicare Fraud Hurts Everyone  
Learn what you can do.

## **AGENDA**

- Introduction
- Medicare Advantage Plans
- Medicare Scams
- Questions



# PRESENTERS



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Office of Consumer  
Protection



**Ayse Tokbay**

Senior Medicare Patrol (SMP)  
State Health Insurance Assistance  
Program (SHIP)

# Office of Consumer Protection

The Office of Consumer Protection (OCP) is a division of the Howard County Department of Community Resources and Services. It helps to protect Howard County consumers by

- Handle disputes between merchants and consumers & between landlords and tenants
- Provide consumer specialists by phone or in-person
- Enforce the County's consumer protection laws
- Education and Outreach to the Community
- License and Regulate certain businesses



## Senior Medicare Patrol (SMP) State Health Insurance Assistance Program (SHIP)

The Howard County Senior Medicare Patrol (SMP) provides public information to empower and assist Medicare beneficiaries, their families and caregivers to prevent, detect and report health care fraud, error and abuse.

When fraud or abuse is suspected, SMP can assist by making referrals to the appropriate state and federal agencies.

Howard County SHIP is your local help with Medicare. We offer public education & counseling by appointment.

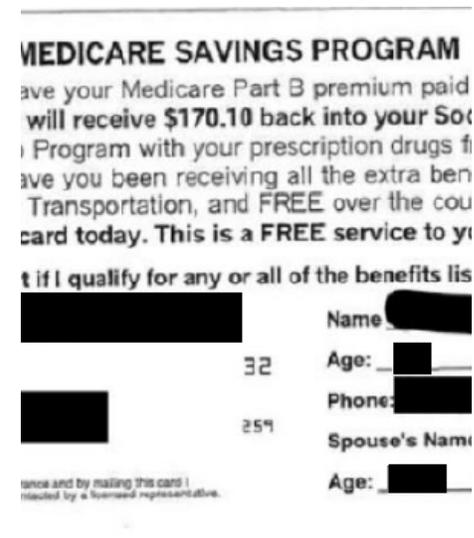
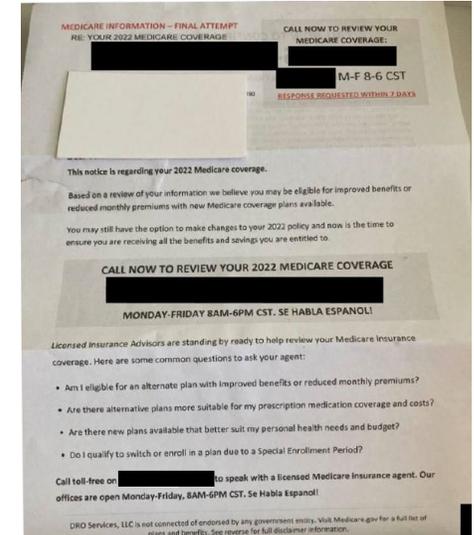
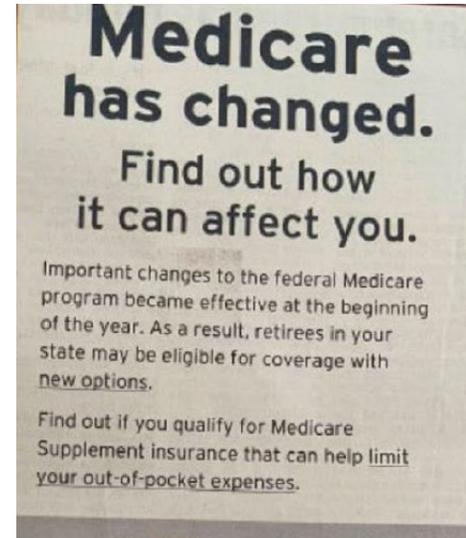




# Deceptive Marketing Practices Flourish in Medicare Advantage:

## A Report by the Majority Staff of the U.S. Senate Committee on Finance

### Examples of deceptive marketing materials (PA)



# MARKETING RULES- MEDICARE PLANS:

## People representing Medicare plans aren't allowed to:

- ✗ Ask for your personal information over the phone unless it's needed to verify membership, determine enrollment eligibility, or process an enrollment request. Plans don't need your personal information to give a quote.
- ✗ Come to your home uninvited to sell or endorse anything.
- ✗ Call you unless you're already a member of the plan. If you're a member, the agent who helped you join can call you.
- ✗ Require you to speak to a sales agent to get information about the plan.
- ✗ Offer you cash (or gifts worth more than \$15) to join their plan or give you free meals during a sales pitch for a Medicare health or drug plan.



# MARKETING RULES- MEDICARE PLANS:

## People representing Medicare plans aren't allowed to:

- ✘ Ask you for payment over the phone or online. The plan must send you a bill.
- ✘ Sell you a non-health related product, like an annuity or life insurance policy, during a sales pitch for a Medicare health or drug plan.
- ✘ Make an appointment to tell you about their plan unless you agree. During the appointment, they can only try to sell you the products you agreed to hear about.
- ✘ Talk to you about their plan in areas where you get health care like an exam room, hospital patient room, or at a pharmacy counter.
- ✘ Market their plans or enroll you during an educational event like a health fair or conference.



## PROS OF MA PLANS

- Those in MA health plans are more likely to
  - ✓ Have consistent primary-care physician and to receive preventive services such as flu vaccines, colon-cancer screenings, blood-pressure screenings, and cholesterol management.
  - ✓ Have lower rates of hospital readmission and preventable hospitalizations.
  - ✓ Face fewer hassles in obtaining prescription drugs and getting information about drug costs.
- Because the government pays MA plans a flat fee to provide all care, those plans have an incentive to reduce unnecessary and inefficient care and promote preventive services and care management.

# NOT ALL PLAN MARKETS ARE EQUAL

The problem with national advertising is that it does not always reflect what's available where you live. Some areas are more competitive, especially if it is a popular retirement area like Florida.



It is important to look beyond premiums and supplemental benefits, which MA marketing relies on heavily, to understand the full picture of what you will have to spend out of pocket to get the health care services you need.

It is also important to understand other rules, like networks, to ensure services you receive from preferred health care providers are covered.

## CONS: MISLEADING ADS

- ✓ Aggressive lead generators/3P marketing companies
  - Fake websites, e.g.,: [www.medicareadvantage.com](http://www.medicareadvantage.com); [www.medicarebus.com](http://www.medicarebus.com) re-directing to insurance agents.
  - Promising increase in SSI
  - Mailers claiming to be from IRS, Medicare or Centers for Medicare and Medicaid Services
  - Physician groups steering patients towards health plans
  - TV/Newspaper/Email/Phone solicitations
- ✓ Insurance brokers/employees misrepresenting coverage for doctors, Rx, and treatment.
  - Complaints of marketing to cognitively impaired consumers
  - Approached in grocery stores and outside health centers
- ✓ Slamming: changing plans without consent
- ✓ Complaints doubled 2021-2022

# CONS: BILLING FRAUD

## Cost of billing fraud

- Medicare Advantage plans rake in billions of extra dollars from the federal government through billing fraud by
  - ✓ describing their patients as sicker than they really are,
  - ✓ classifying certain conditions & treatments as more serious
- Medicare Advantage costs government ~3% more PP vs. traditional Medicare—more than \$9 billion in aggregate in 2022.

## Types of billing fraud

- Double billing
- Phantom billing
- Upcoding
- Unbundling
- Kickbacks
- Unnecessary services
- False price reporting
- Ineligible beneficiaries
- Off-label Rx
- Unlicensed providers

# CONS: DENIAL OF SERVICES & CLAIMS

## Office of Inspector General Report from April 2022 shows concerns:

Potential incentive for MA plans to deny beneficiary access to services and deny payments to increase profits.

Key takeaways were that MA plans denied prior authorization and payment requests that met Medicare coverage rules by:

- Using MA plan clinical criteria that are not in Medicare coverage rules
- Requesting unnecessary documentation
- Making manual review errors and system errors.

Most people don't understand the rules to even know that there is an appeal process

Such denials can delay or prevent beneficiaries from getting needed care.



## TIPS & TRICKS

- ✓ Use caution if calling a helpline advertised on television.
- ✓ Closely review mailers purporting to be from a federal agency.
- ✓ Be careful what you click on in emails and texts
  - Sell your information to marketers
  - Phishing/smishing possible.
- ✓ Don't engage with telemarketers, just hang up!
- ✓ Get everything in writing—and read it—before agreeing to a plan.
- ✓ Review your EOBs.
- ❖ If you think you have been enrolled in a new plan that doesn't work for you, call 1-800-MEDICARE for help.



**SCAM  
ALERT**

## Medicare Scams

*Get coverage, not  
criminals*

# PHONE SCAMS

- Cheaper/better insurance during enrollment period
- Threat of losing coverage
- Claims of bogus bills needing attention
- Medical ID theft
  - ✓ New cards and need to verify/activate ID
  - ✓ Account suspended due to fraud
- Change in law leading to refund/rebate
- ❖ CMS/Medicare/Medicaid won't call you about your benefits unless you called first.



# PROTECT YOURSELF

## Step 1: Protect yourself from Medicare fraud and abuse



- DO**
- Treat your Medicare card and number like your credit cards.
  - Watch out for identity theft.
  - Be aware that Medicare doesn't call or visit to sell you anything.

- DON'T**
- Give out your Medicare number except to your doctor or other Medicare provider.
  - Carry your Medicare card unless you will need it.



# EMAIL SCAMS

- Emails touting bogus website
  - ✓ Medicareplans.com
- Cheaper/better insurance during enrollment period.
- Spoof sender email to make it look like it's from CMS/Medicare
  - ✓ Cloned emails: Email can have a link that looks legitimate but redirects you to another website which looks identical but has slight differences in URL
  - ✓ *E.g.*, SPOTIFY.COM vs. SP0TIFY.COM



# MAIL SCAMS

- Bogus brochures selling Medicare products at discount
- Offers for discounted prescription drug plans,
- Offers for supplemental Medicare coverage,
- Bills from an unknown hospital, doctor, or medical supplier; and
- Fake plan documents



# DOOR TO DOOR SALES



- Free or low-cost genetic testing
- Sales of coverage for Rx, medical equipment, or supplements.
- Unnecessary medical devices are delivered & authorized by a doctor you don't know.
- Bogus offers for “free” medical supplies.
- COVID tests at fake centers

# BRACED FOR FRAUD



## UNWANTED BRACES SENT TO YOU? HERE'S WHAT TO DO:

- If possible, refuse any package you aren't expecting.
- Open the box and find the name of the company and any contact information you can.
- Check your **Medicare statements** for claims for braces.
- Contact the **Senior Medicare Patrol (SMP)** to report it.



# WRAP UP

## Protect Yourself From Medicare Scams



Watch out for people who:

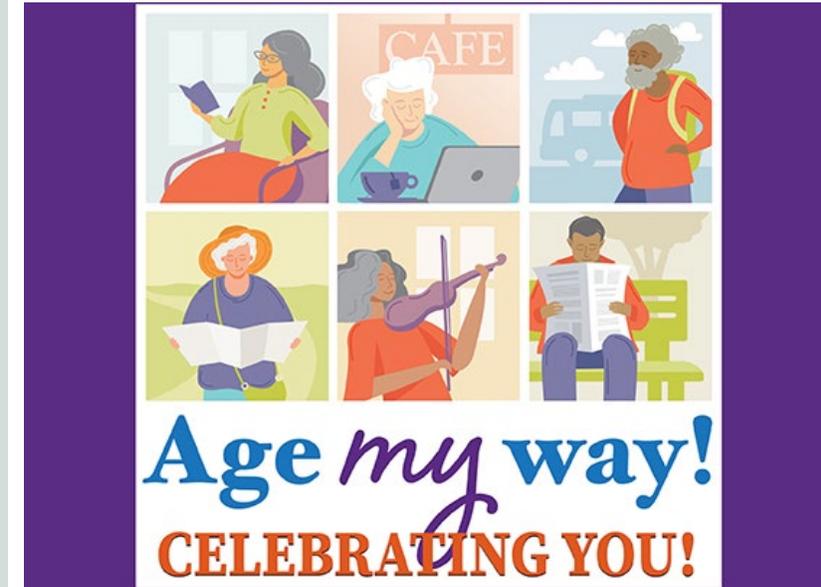
- Ask for your Medicare number
- Ask for your bank information
- Ask for your Social Security number
- Pressure you with time limits
- Say they represent Medicare
- Offer you gifts to enroll in their plan
- Make unsolicited calls, visits, or texts
- Approach you in parking lots or malls
- Threaten that you will lose your Medicare benefits unless you sign up for their plan
- Give you materials that look like they are from official government sources

# RESOURCES

**For ACA health insurance exchanges** – In Howard County, visit the HealthCare Access Maryland at [www.healthcareaccessmaryland.org](http://www.healthcareaccessmaryland.org) or call 410-500-4710.

**For Medicare** - Visit Medicare at [www.Medicare.gov](http://www.Medicare.gov). In Howard County, contact SHIP (State Health Insurance Assistance Program) for free, confidential and unbiased information. Call 410-313-7392 or visit [www.howardcountyyaging.org/ship](http://www.howardcountyyaging.org/ship).

**For Consumer Information or Assistance** – Call the Howard County Office of Consumer Protection (OCP) at 410-313-6420 or visit [www.howardcountymd.gov/consumer](http://www.howardcountymd.gov/consumer)





**QUESTIONS**





# THANK YOU

*Office of Consumer Protection*

*410-313-6420 (voice/relay)*

*Office on Aging & Independence*

*410- 313-1234 (voice/relay)*

*9830 Patuxent Woods Drive*

*Columbia, MD 21046*

*Facebook, Instagram, Twitter &  
YouTube @HoCoCommunity*