



Consumer Alert

Fight Back Against Medicare Fraud

It is estimated that sixty billion dollars are lost annually to Medicare fraud. In addition to scams that directly target Medicare beneficiaries, Medicare loses a substantial amount of money through unlawful billing practices and errors. To combat this loss, the Senior Medicare Patrol (SMP) project was initiated in 1997 to empower seniors and others to address issues of Medicare fraud through the use of volunteer educators. Volunteers provide community education on actions that can be taken to prevent, detect, and report fraud. In Colorado, SMP is housed under the State Division of Insurance, a state regulatory agency.

Although complex, Medicare fraud is recognizable and avoidable. The following are examples of common Medicare schemes that beneficiaries should be aware of:

Medicare Card Updating - In this scheme, a person claiming to be from Medicare calls a beneficiary and asserts that Medicare is updating cards. The beneficiary is instructed to provide a bank account and Social Security number over the phone. If the beneficiary refuses, the caller threatens to withhold the card. Because Social Security numbers also serve as Medicare account numbers, this scam is often used to steal the person's identity, to obtain free Medicare services (also known as Medical identity theft), or both. **Truth:** Medicare will NEVER call on the phone or knock on the door, and new Medicare cards will only be issued when a *beneficiary* initiates a request to replace a lost or stolen card.

Equipment Billing Fraud - Bogus, and/ or unscrupulous suppliers of medical equipment contribute to the high cost of Medicare fraud. In this instance, a cold call is made to a beneficiary in an attempt to solicit 'durable medical equipment' (DME), which in turn is billed directly to Medicare. **Truth:** Even if the supplies are covered through Medicare, such equipment requires a physician's order. Under Medicare policies, DME suppliers are not allowed to 'cold call' customers.

Prevention:

- If you receive a suspicious call, record the number on your caller ID and report it to SMP Colorado at 1-800-503-5190, or the Office of Inspector General at 1-800-447-8477 or <http://oig.hhs.gov/fraud/hotline> .
- Always review your Medicare Summary Notice (MSN) for accuracy.
- Never give out Medicare or bank account numbers over the phone unless you initiate the call, such as to replace a lost or stolen Medicare card.
- Save all Medicare Summary Notices and Part D Explanation of Benefits
- For information on becoming a SMP volunteer, contact 1-800-503-5190



DA – 18 Consumer Protection Line: 720-874-8547

