

Common Types of Pharmacy Fraud and Abuse

- Inappropriate billing
- Card sharing by beneficiaries
- Doctor shopping
- Diversion of prescription drugs



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What Is Drug Diversion?

Deflection of prescription drugs from medical sources into the illegal market:

- Can occur at any point in the distribution process
- Can lead to significant health and legal consequences
- Has financial implications

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Why Are Drugs Diverted?

- Intentional abuse of drugs
 - Recreation
 - Addiction
- Self-medication
- Alleviation of withdrawal symptoms
- Monetary gain



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What Prescription Drugs Are Being Diverted?



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Who Is Diverting Drugs?

- Patients
- Health care professionals
- Suppliers
- Illegal Internet pharmacies



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How Are Patients Diverting Drugs?

- Medication sharing
- Prescription pad theft
- Card sharing
- Doctor shopping
- Pharmacy shopping
- Forging or altering prescriptions
- Theft



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How Are Pharmacy Staff Diverting Drugs?

- Pharmacy
 - Theft and robbery
 - False claims
 - Medication dilution



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How Are Prescribers Diverting Drugs?

- Prescriber
 - Providing false credentials
 - Prescribing for illicit purposes
 - Prescribing with inadequate information



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How Are Suppliers Diverting Drugs?

- Counterfeit distribution
- Purchasing illegally imported drugs
- Obtaining illegally discounted drugs



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Knowledge Check

Common types of drug diversion activities include which of the following?

- A. Theft
- B. Illicit prescribing
- C. Card sharing
- D. Counterfeit distribution
- E. All of the above



Answer

The correct answer is E.
All of the above.



Knowledge Check


Which of the following is not a drug class frequently targeted for drug diversion?

- A. Stimulants
- B. Human growth hormone
- C. Narcotics/Opioids
- D. Antibiotics
- E. Central Nervous System (CNS) depressants



Answer

The correct answer is D.
Antibiotics



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Detection of Drug Diversion

Be alert!

- Verify suspicious prescriptions with the prescriber
- Recognize drug-seeking behavior
- Recognize provider identity theft


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Common Characteristics

Common characteristics of a drug-seeking individual may include unusual:

- Behavior
- Appearance
- Knowledge

Drug-seeking individuals may steal or use someone else's identity.



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Detecting Provider Identity Theft

How is provider identity theft recognized?

- Evidence of tampering on prescription pads
- Absence of required prescription information
- Patient exhibits drug-seeking behaviors

Reporting Drug Diversion

Report suspected drug diversion and other fraud or abuse to the State Medicaid agency (SMA). Contact information can be found at the link below.

http://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/FraudAbuseforConsumers/Report_Fraud_and_Suspected_Fraud.html



Reporting Drug Diversion—Continued

Other agencies that may also be notified:

- State Medicaid Fraud Control Unit (MFCU)
- Local law enforcement
- U.S. Drug Enforcement Administration (DEA)
- U.S. Department of Health and Human Services, Office of Inspector General (HHS-OIG) National Fraud Hotline
- State licensing board if a health care professional is involved

Knowledge Check

K.T. has been a patient at your pharmacy for several years. She has always been very patient and courteous. You have noticed a change in her behavior over the past month or so. She has been very impatient and demanding with your staff. On the last two visits, she looked like she just crawled out of bed. Today, she brought in a prescription for OxyContin® that is missing the date. Your pharmacy technician informs her that you need to contact the doctor to find out when he wrote the prescription. She immediately replies that he wrote it today and you do not need to waste your time. What do you do?

Knowledge Check

What would you do?

- A. Call the doctor to verify the date
- B. Take the patient's word for it and fill the prescription
- C. Notify the doctor of the patient's odd behavior
- D. Reprimand the technician because there is no need to verify the date
- E. Both A and C



Answer

The correct answer is E.
Both A and C



Prevention of Drug Diversion

- Verify suspicious prescriptions with providers
- Hang posters to deter drug seekers
- Be aware of lock-in programs for beneficiaries
- Document! Document! Document!

Prevention of Drug Diversion— Other Steps You Can Take

- Avoid provider identity theft
- Be aware of prescription drug disposal programs
- Participate in a Prescription Drug Monitoring Program (PDMP)
- Develop a comprehensive training program

Prevention of Provider Identity Theft

How is provider identity theft prevented?

- Be aware of reports of stolen prescription pads
- Verify altered prescriptions
- Be cautious of phoned-in prescriptions



Prescription Drug Disposal Programs

Encourage proper disposal of prescription drugs.

Advantages

- Deterrence of drug abuse
- Proper drug disposal



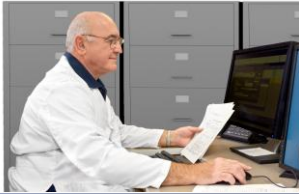
Prescription Drug Monitoring Programs

Electronic database

- Collects designated information on substances dispensed
- Provides data access

Benefits

- Inform
- Intervene
- Investigate



Prescription Drug Monitoring Programs

Requirements vary by State

- National Alliance for Model State Drug Laws
<http://www.namsdl.org/>

What Is a Comprehensive Training Program?

Education on how to recognize, prevent, and report drug-seeking activity and prescription drug fraud.

Benefits

- Compliance
- Collaboration
- Coordination



Knowledge Check

Which of the following is **not** a strategy to prevent drug diversion?

- A. Use the Prescription Drug Monitoring Program
- B. Develop a Comprehensive Training Program
- C. Refer patients to a Prescription Drug Disposal Program
- D. Dispense medications from prescriptions with missing provider information
- E. None of the above



Answer

The correct answer is D. Dispensing medications from prescriptions with missing provider information is **not** a strategy to prevent drug diversion.



Monitoring for Drug Diversion

- Perform a risk assessment
- Do random periodic audits of drugs on hand
- Do random prescription verification with customers
- Require that employees use the PDMP if available
- Analyze prescription data

Available Resources

- Centers for Medicare & Medicaid Services (CMS)—Drug Diversion in the Medicaid Program
<https://www.cms.gov/MedicaidIntegrityProgram/Downloads/drugdiversion.pdf>
- National Health Care Anti-Fraud Association
<http://nhcaa.org>
- National Association of Medicaid Fraud Control Units
<http://www.namfcu.net>
- HHS-OIG
<http://www.oig.hhs.gov/>
- U.S. Department of Justice, DEA Office of Diversion Control
<http://www.deadiversion.usdoj.gov/>
- SMA
- Local law enforcement

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