



Do You Know Where the Drugs Are Going?
Presentation

Objectives

At the conclusion of this presentation, the learner will be able to:

- Identify common types of drug diversion activities
- List at least four drug classes that are targets for drug diversion
- Recognize common drug diversion behaviors to look for in pharmacy practices
- List three actions that can be taken to prevent drug diversion activities

Centers for Medicare & Medicaid Services 2

Fraud and Abuse

Fraud

- Intentional deception or misrepresentation

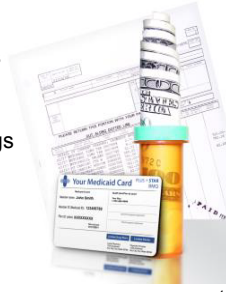
Abuse

- Practices that are inconsistent with sound fiscal, business, or medical practices
- Beneficiary practices that result in unnecessary cost to the Medicaid program

Centers for Medicare & Medicaid Services 3

Common Types of Pharmacy Fraud and Abuse

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



Centers for Medicare & Medicaid Services

4

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

Centers for Medicare & Medicaid Services

5

Why Are Drugs Diverted?

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



Centers for Medicare & Medicaid Services

6

What Prescription Drugs Are Being Diverted?



Centers for Medicare & Medicaid Services

7

Who Is Diverting Drugs?

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



Centers for Medicare & Medicaid Services

8

How Are Patients Diverting Drugs?

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



Centers for Medicare & Medicaid Services

9

How Are Pharmacy Staff Diverting Drugs?

Pharmacy

- Theft and robbery
- False claims
- Medication dilution



Centers for Medicare & Medicaid Services

10

How Are Prescribers Diverting Drugs?

Prescriber

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



Centers for Medicare & Medicaid Services

11

How Are Suppliers Diverting Drugs?

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



Centers for Medicare & Medicaid Services

12

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 the above**



Centers for Medicare & Medicaid Services

13

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)



Centers for Medicare & Medicaid Services

14

Detecting Drug Diversion

Be alert!

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

Centers for Medicare & Medicaid Services

15

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.



Centers for Medicare & Medicaid Services

16

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

Centers for Medicare & Medicaid Services

17

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.

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



Centers for Medicare & Medicaid Services

18

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

Preventing Drug Diversion

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

Preventing 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

Preventing Provider Identity Theft

How can pharmacists prevent provider identity theft?

- 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



Centers for Medicare & Medicaid Services

25

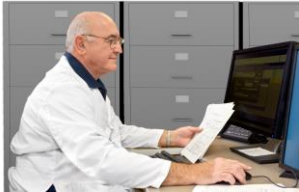
Prescription Drug Monitoring Programs

Electronic database

- Collects designated information on substances dispensed
- Provides data access

Benefits

- Inform
- Intervene
- Investigate



Centers for Medicare & Medicaid Services

26

Prescription Drug Monitoring Programs

Requirements vary by State

- National Alliance for Model State Drug Laws
<http://www.namsdl.org/>
- State-to-State PDMP Data Exchange
- National Association of Boards of Pharmacy PMP InterConnect®
<http://www.nabp.net/programs/pmp-interconnect/nabp-pmp-interconnect>

Centers for Medicare & Medicaid Services

27

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



Centers for Medicare & Medicaid Services

28

Knowledge Check

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

- A. Use a 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



Centers for Medicare & Medicaid Services

29

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

Centers for Medicare & Medicaid Services

30

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

Questions



Please direct questions or requests to: MedicaidProviderEducation@cms.hhs.gov
 To see the electronic version of this presentation and the other products included in the "Drug Diversion" Toolkit, visit the Medicaid Program Integrity Education page at <https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/Medicaid-Integrity-Education/edmic-landing.html> on the CMS website.

Follow us on Twitter [@MedicaidIntegrity](#)

Disclaimer

This presentation was current at the time it was published or uploaded onto the web. Medicaid and Medicare policies change frequently so links to the source documents have been provided within the document for your reference.

This presentation was prepared as a service to the public and is not intended to grant rights or impose obligations. This presentation may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. Use of this material is voluntary. Inclusion of a link does not constitute CMS endorsement of the material. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

February 2016
