

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard  
Baltimore, Maryland 21244-1850



**Center for Program Integrity**

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Date: December 9, 2013

To: All Medicare Part D Plan Sponsors

From: Mark Majestic, Acting Director  
Medicare Program Integrity Group

Re: Medicare Part D Fraud: Billing for Services not Rendered and Kickback Payments

The Centers for Medicare & Medicaid Services (CMS) was notified by the Office of Investigations, Office of Inspector General (OIG) of allegations that Sisters Pharmacy Inc. (Sisters), Yudith Palenzuela Herrera, and Ivon Palenzuela were engaged in a scheme to defraud the Medicare Part D program. We are alerting you to this information so that you can take the appropriate actions regarding this pharmacy and the Medicare Part D prescription drug benefit you offer. These actions should be focused on the appropriate detection and identification of fraud, waste, and abuse as required under the Medicare Part D program.

Sisters is alleged to be engaged in a scheme to defraud healthcare programs by paying kickbacks for the referral of Medicare beneficiaries. The subject's National Provider Identification (NPI) and location is listed below:

<b>Pharmacy</b>	<b>Address</b>	<b>NPI Number</b>
Sisters Pharmacy	3947 NW 7 <sup>th</sup> Street Miami, Florida 33126	1649416173 1427495191

It is believed that Yudith Palenzuela Herrera and Ivon Palenzuela, through Sisters Pharmacy, submitted fraudulent claims for payment to the Medicare Prescription Drug Plan Sponsors, through their Pharmacy Benefit Managers (PBMs), from May 2009 to October 2012. Invoices received from wholesale drug companies, in which Sisters obtained their prescription medications through, were compared to PDE records submitted to CMS. The results found that Sisters did not purchase enough inventory to support the amount paid by the Medicare Part D Plan Sponsors.

If you identify egregious billings from Sisters for prescription drugs, please contact Health Integrity, CMS' National Benefit Integrity Medicare Drug Integrity Contractor (NBI MEDIC) or CMS. Any questions you may have on this subject should be directed to your CMS Account

Manager and Martina Gilly of the National Benefit Integrity Medicare Drug Integrity Contractor (NBI MEDIC) at [gillym@healthintegrity.org](mailto:gillym@healthintegrity.org). The MEDIC may also be reached at 1-877-7SAFERX (1-877-772-3379).