



**CMS 2010 BI-REGIONAL MEDICARE HEALTH PLAN COMPLIANCE
CONFERENCE**
Boston & New York – Serving Our Beneficiaries Together

Verbatim Transcript

Introduction to the National Benefit Integrity MEDIC - Contractor for Fraud, Waste and Abuse - What is our
role in uncovering fraud?

Patrick Doyle and Melissa Fannin, RN, MS, MBA

>> ALMOST AS A FOLLOW-UP

TO THE QUESTION THAT CAME AT THE
END OF THE LAST PRESENTATION,

WE NOW WANT TO SPEND
SOME TIME UNDERSTANDING

WHAT THE MEDICARE BENEFIT
INTEGRITY CONTRACTOR DOES.

WHO ARE THOSE PEOPLE?

FRAUD WASTE AND ABUSE PREVENTION
FOR US THIS YEAR

IS, AS I SAID,
TAKING A HIGHER...

MORE HIGH VISIBILITY THAN USUAL.

IT PROBABLY WILL CONTINUE
BECAUSE OUR EXPENDITURES

FOR MEDICARE ARE CONTINUING

TO RISE.

AS I SAID, THERE ARE MORE OF US
WHO ARE COMING INTO MEDICARE

AS BENEFICIARIES.

AND SO TO LOOK AT THAT EMPHASIS
HERE IN THIS CONFERENCE

SEEMED LIKE THE RIGHT THING
TO DO,

SO WE'RE GOING TO FOLLOW UP
THE EXTENSIVE PRESENTATION

THAT WE HAVE FROM JEAN AND JOEL

WITH A CONVERSATION WITH PATRICK
DOYLE AND MELISSA FANNIN.

THE NATIONAL BENEFIT INTEGRITY
MEDIC IS A LOT TO SAY,

AND SO OFTEN WE JUST SAY
IT'S THE B.I. MEDIC.

THE B.I. MEDIC
HAS A CORPORATE NAME.

THAT CORPORATE NAME
IS HEALTH INTEGRITY.

SO YOU SAW
IN ONE OF JOEL'S SLIDES

A REFERENCE TO A COMPANY,
A CONTRACTOR, HEALTH INTEGRITY.

THAT'S WHAT IN MY LANGUAGE

NATIONAL BENEFIT
INTEGRITY MEDIC IS.

SO IF YOU CAN KEEP
ALL THAT LANGUAGE STRAIGHT,

YOU'RE GOING TO HEAR
FROM PATRICK AND MELISSA,

BOTH OF WHOM WORK WITH

THE NATIONAL BENEFIT INTEGRITY
MEDIC, OR HEALTH INTEGRITY,

AND I'LL TELL YOU
ABOUT PATRICK FIRST

AND FOLLOW UP WITH SOME COMMENTS
TO INTRODUCE YOU TO MELISSA.

PATRICK DOYLE
JOINED HEALTH INTEGRITY

AS THE NATIONAL BENEFIT
INTEGRITY MEDIC

PROGRAM DIRECTOR
IN OCTOBER 2009

AFTER 31 YEARS
IN LAW ENFORCEMENT.

HE SPENT 22 YEARS WITH THE
HEALTH AND HUMAN SERVICES OFFICE

OF THE INSPECTOR GENERAL,
THE OFFICE OF INVESTIGATIONS,

THE LAST 5 AS SPECIAL AGENT
IN CHARGE OF REGION 3,

WHICH INCLUDES PENNSYLVANIA,
MARYLAND, DELAWARE,

VIRGINIA, WEST VIRGINIA,
AND THE DISTRICT OF COLUMBIA.

UNDER HIS LEADERSHIP
AS SPECIAL AGENT IN CHARGE,

REGION 3 PRODUCED
OVER 300 CRIMINAL CONVICTIONS

AND RETURNED OVER \$4 BILLION

TO THE GOVERNMENT

THROUGH CIVIL SETTLEMENTS

AND CRIMINAL FINES
AND PENALTIES.

AS PROGRAM DIRECTOR
FOR THE NATIONAL B.I. MEDIC,

MR. DOYLE HAS OVERSIGHT OF

THE NATIONAL BENEFIT INTEGRITY
MEDIC PROGRAM

FOR THE ENTIRE UNITED STATES,

AND THAT'S BECAUSE HEALTH
INTEGRITY, THAT COMPANY,

HAS THE ENTIRE COUNTRY
UNDER THEIR PURVIEW.

THIS INCLUDES
CONTRACT PERFORMANCE,

INCLUDING DAY-TO-DAY ACTIVITIES,

CLIENT MANAGEMENT WITH

THE CENTERS FOR MEDICARE
AND MEDICAID SERVICES,

DELIVERABLES MANAGEMENT,
HIRING, TRAINING,

AND SERVING ON
THE QUALITY STEERING COMMITTEE.

MR. DOYLE HOLDS
A BACHELOR OF SCIENCE DEGREE

FROM CRIMINAL JUSTICE
FROM KING'S COLLEGE

IN WILKES-BARRE, PENNSYLVANIA,

AND HAS A MASTER OF SCIENCE
DEGREE IN CRIMINAL JUSTICE

FROM SAINT JOSEPH'S UNIVERSITY
IN PHILADELPHIA.

HE IS JOINED BY HIS COLLEAGUE

MELISSA FANNIN.

MS. FANNIN IS A SENIOR
HEALTH CARE CONSULTANT

WITH CLIFTON GUNDERSON,

A SUBCONTRACTOR
TO HEALTH INTEGRITY.

AND SHE SERVES AS A DEPUTY
DIRECTOR OF ADMINISTRATION

FOR THE NATIONAL BENEFIT
INTEGRITY MEDIC CONTRACT.

MS. FANNIN HAS OVER 20 YEARS
OF EXPERIENCE IN HEALTH CARE,

RANGING FROM AN RN
AT THE UNIVERSITY OF MARYLAND

WHERE SHE WORKED IN THE SHOCK
TRAUMA CENTER FOR 12 YEARS.

THIS INCLUDES A POSITION HELD
AS AN OPERATION'S MANAGER

FOR THE CRITICAL CARE
TRANSPORT PROGRAM.

AND FROM THERE SHE TRANSITIONED
TO THE FEDERAL GOVERNMENT

FOR ALMOST 12 YEARS
WITH VARIED PROGRAMS

HELD IN A MULTITUDE OF SETTINGS.

SHE WORKED FOR THE CENTERS FOR
MEDICARE AND MEDICAID SERVICES

FOR ALMOST 10 YEARS.

MS. FANNIN HELD POSITIONS
IN THE MEDICARE FEE FOR SERVICE

MEDICAL REVIEW, MEDICARE
MANAGED CARE ENFORCEMENT.

SHE WAS A SPECIAL ASSISTANT.

SHE WAS AN ACCOUNT MANAGER

FOR THE NEW PRESCRIPTION DRUG
PROGRAM.

SHE WAS A PROJECT OFFICER
AND A NURSE CONSULTANT

FOR THE MEDICARE
INTEGRITY PROGRAM.

MS. FANNIN JOINED
CLIFTON GUNDERSON

AS A SENIOR
HEALTH CARE CONSULTANT

AND IS ASSIGNED FULL TIME
TO HEALTH INTEGRITY

TO OVERSEE THE ADMINISTRATION
OF THE DELIVERABLES

AND INTERACTIONS WITH CMS

PERTAINING TO
THE NBI MEDIC CONTRACT.

THEY WILL BOTH TELL YOU MORE
ABOUT HEALTH INTEGRITY

AND THE MEDICARE CONTRACT.

PLEASE WELCOME MELISSA
AND PATRICK.

[APPLAUSE]

>> I SUDDENLY FEEL
VERY MYSTERIOUS.

WHO ARE THOSE GUYS?

IT ALSO REMINDS ME OF THE...

THE MOVIE "BUTCH CASSIDY
AND THE SUNDANCE KID"

WHEN THEY KEPT LOOKING
OVER THEIR SHOULDERS

AND SEEING THE POSSE
CHASING THEM.

"WHO ARE THOSE GUYS?"

ANYWAY, WE ARE THE NATIONAL
BENEFIT INTEGRITY MEDIC.

AND I UNDERSTAND THAT THERE'S
BEEN SOMEWHAT OF A CONFUSION

OVER THAT LATELY

BECAUSE AS MANY OF YOU KNOW OR
MAYBE SOME OF YOU DON'T KNOW

THAT HERE USED TO BE, WELL,
THERE STILL ARE 2 MEDICS,

BUT WE'RE NOW CHANGING THE WAY
THAT THINGS WORKED IN THE PAST.

CMS RECENTLY,
EFFECTIVE BACK IN NOVEMBER,

DECIDED TO ARRANGE THE CONTRACTS
MORE BASED ON FUNCTION

THAN ON GEOGRAPHY,

SO HEALTH INTEGRITY
NOW HAS THE RESPONSIBILITY

FOR FRAUD, WASTE, AND ABUSE
NATIONWIDE

AS OPPOSED TO HAVING
THE COMPLIANCE

AND BENEFIT INTEGRITY FUNCTIONS
FOR THE STATES

IN THE SOUTHEASTERN PART
OF THE COUNTRY.

SO THE CHANGE HAS GONE
INTO EFFECT.

AND THESE ARE THE
RESPONSIBILITIES THAT WE HAVE.

IF YOU HAVE AN ISSUE

THAT RELATES TO COMPLIANCE
AND ENFORCEMENT,

SAFEGUARD SERVICES--SGS--

IS THE MEDIC THAT YOU NEED
TO GO TO FOR THAT FUNCTION,

AND AGAIN,
THAT'S ANYWHERE NATIONWIDE.

SO THIS IS WHAT WE DO NOW.

THIS IS THE ROLE THAT WE HAVE

IN COMBATING, FRAUD,
WASTE, AND ABUSE.

WE HAVE TO TAKE IN ALL
THE COMPLAINTS THAT COME IN.

AND I'LL GET TO A LITTLE BIT
LATER WHERE THOSE COME FROM.

WE DO DATA AND INVESTIGATIVE
ANALYSES.

WE CONDUCT FRAUD AUDITS,

RESPOND TO REQUESTS
FOR INFORMATION

FROM LAW ENFORCEMENT.

PRIMARILY THAT MEANS THE DATA
FROM A PARTICULAR BENEFICIARY

OR A PARTICULAR PHARMACY
OR A PARTICULAR PROVIDER

SO THAT THEY CAN TELL

WHAT'S BEING BILLED

BY THAT ENTITY OR INDIVIDUAL.

WE INVESTIGATE ALLEGATIONS
OF FRAUD.

THERE'S COMPLAINTS THAT COME IN.

NOT ALL OF THEM END UP
BEING FRAUD RELATED.

SO WE DO AN ANALYSIS

TO DETERMINE WHICH ONES
CAN BE RESOLVED

BY STEERING A PERSON
TO THE CORRECT PARTY,

WHICH ONES ARE PROBABLY
JUST AN ERROR

THAT CAN BE CORRECTED BY
CONTACTING THE PLAINTIFF

OR THE PHYSICIAN
OR THE PHARMACIST,

AND WHICH ACTUALLY HAVE
SUFFICIENT INDICATIONS OF FRAUD

THAT MAKES IT A REQUIREMENT
FOR US TO GO OUT

AND START TO LOOK INTO THAT
A LITTLE BIT FURTHER,

TO SEE IF THERE'S A
SIGNIFICANT INDICATION OF FRAUD

SO THAT WE CAN REFER THOSE
TO LAW ENFORCEMENT.

AND WE DO REFER THOSE CASES
TO LAW ENFORCEMENT

AND PROVIDE WHATEVER SUPPORT
THEY MIGHT NEED FROM US

AS THEY CONTINUE
THEIR INVESTIGATION.

WE ALSO RECENTLY STARTED DOING
WHAT WE CALL

THE LOSS TO GOVERNMENT
CALCULATIONS,

OR THE IMPACT CALCULATIONS,

TO DETERMINE
HOW MUCH OF THE BILLINGS

ARE ACTUALLY LOST
TO THE GOVERNMENT

OR THE PLAN OR THE BENEFICIARY.

WE ALSO,
AS ANY GOOD ENTITY SHOULD,

AS YOU SEE THINGS DEVELOP
IN THE PROGRAM,

LOOK FOR THINGS THAT MAYBE
COULD BE IMPROVED,

AND I HOPE THAT YOU ALL HAVE
THAT SAME FUNCTION

WITHIN YOUR ORGANIZATIONS.

IS THERE SOMETHING THAT'S NOT
BEING DONE QUITE RIGHT

OR IS SOMETHING YOU COULD DO
A LITTLE BIT BETTER

TO HELP ELIMINATE THAT FRAUD,
WASTE, OR ABUSE

OR AT LEAST THE POTENTIAL
FOR IT,

TO CLOSE UP ANY OF THOSE
LOOPHOLES OR LITTLE QUIRKS

THAT MIGHT LEND THEMSELVES TO
HELPING THE CRIMINALS

GET OUT THERE
AND COMMIT THE FRAUD.

THE COMPLIANCE
AND ENFORCEMENT MEDIC.

I REALLY CAN'T TALK FOR THEM,

BUT I DID WANT TO PUT UP THE
RESPONSIBILITIES THAT THEY HAVE

BECAUSE AS I UNDERSTAND, MOST OF
YOU ARE IN THE COMPLIANCE ARENA,

AND IT MAY BECOME IMPORTANT
FOR YOU TO REACH OUT TO THEM

IF YOU SEE ANY OF THESE ISSUES
WITHIN THE PLANS OR THE WORK

THAT YOU DO ON A DAILY BASIS.

AND I'M SURE THAT
YOU'LL BE ABLE TO GET

THE INFORMATION YOU NEED,

CONTACT INFORMATION
FROM YOUR CONTACTS WITHIN CMS

IF YOU DON'T ALREADY HAVE IT,

AND I IMAGINE THAT MOST OF YOU
ALREADY DO.

THAT MAY BE A LITTLE BIT
DIFFICULT FOR YOU TO READ,

BUT I DID WANT TO PUT UP
THE ORGANIZATIONAL CHART

SO YOU CAN GET TO LEARN
WHO ALL THOSE GUYS ARE.

AT THE VERY TOP,
THERE IS SANDY LOVE.

SHE IS MY BOSS.

SHE'S THE CHIEF OPERATING
OFFICER FOR HEALTH INTEGRITY

AND AS SUCH HAS OVERSIGHT

NOT JUST FOR THE NATIONAL
BENEFIT INTEGRITY MEDIC PROGRAM,

BUT ALSO ONE OF THE ZPICS

AND ALSO ONE OF THE MEDICAID
INTEGRITY CONTRACTS

THAT CMS ALSO HAS.

RIGHT BELOW HER IS MYSELF,

AND WE'LL JUST
SKIP PAST THAT GUY

'CAUSE HE'S THE LEAST IMPORTANT

IN THIS WHOLE CHAIN OF FOLKS
HERE.

BUT ON THE...EXCUSE ME 'CAUSE
I'M A LITTLE BIT DYSLEXIC.

ON THE LEFT SIDE IS CARL FLORES,

WHO'S THE DEPUTY DIRECTOR
FOR INVESTIGATIONS.

CARL IS A RETIRED FBI
INVESTIGATOR AND SUPERVISOR

WHO SPENT...AH,
HE'LL PROBABLY KICK ME

'CAUSE I MAY NOT BE RIGHT,

BUT SOMEWHERE BETWEEN 24 AND 26
YEARS CONDUCTING INVESTIGATIONS,

A LOT OF WHICH WAS SPENT
ON HEALTH CARE FRAUD.

DIRECTLY BELOW HIM
IS MARTINA GILLEY,

WHO I'VE KNOWN
FOR QUITE SOME TIME.

SHE WAS ALSO WITH THE DEPARTMENT
OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL
AS AN INVESTIGATOR FIRST

AND THEN AS AN ASSISTANT
SPECIAL AGENT IN CHARGE,

AND THEN BELOW HER--NOW THAT WE
HAVE NATIONWIDE RESPONSIBILITY,

IT BECAME TOO DIFFICULT
FOR MARTINA TO HANDLE

ALL THE WORK THAT WAS INVOLVED

NOW THAT WE'RE WORKING
ON A NATIONWIDE BASIS,

SO WE HIRED STEVE LANG,

WHO IS ALSO A RETIRED OFFICE OF
THE INSPECTOR GENERAL ASAC.

MOVING OVER, WE HAVE MELISSA,

WHO'S THE DEPUTY DIRECTOR
FOR ADMINISTRATION.

AND BELOW HER, TASHA TRUSTY,

WHO HAS THE RESPONSIBILITY
FOR HANDLING

COMPLAINT SPECIALIST INTAKES
AND THE MEDICAL REVIEW TEAMS,

NURSE INVESTIGATORS.

PATTY SERIO IS OUR
DEPUTY DIRECTOR FOR DATA,

AND I'LL GET MORE INTO THE DATA
IN A LITTLE BIT.

YOU ALREADY GOT A SYNOPSIS

OF SOME OF THAT

FROM JEAN STONE
IN HER PRESENTATION

ABOUT WHAT YOU COULD DO
WITH THE DATA.

MOVING ACROSS, ANDY RANK, WHO
WORKS FOR CLIFTON GUNDERSON.

PHEONOMENAL GUY, VERY BRIGHT.

HE'S THE ONE WHO CAME UP
WITH THE PROCESS FOR US

TO BE ABLE TO CALCULATE
THE LOSS TO THE GOVERNMENT,

THE IMPACT
TO THE GOVERNMENT STUDIES.

AND THEN WE HAVE
OUR LEGAL COUNSEL

AND CHIEF MEDICAL OFFICER.

YOU CAN SEE
WE USED TO HAVE THE 15 STATES

STARTING, I BELIEVE,
FROM VIRGINIA,

DOWN TO FLORIDA

AND ACROSS
AS FAR AS NEW MEXICO,

AND WE HAD INVESTIGATORS
IN PLACE THERE.

NOW WE ARE A NATIONWIDE FRAUD,
WASTE, AND ABUSE CONTRACTOR.

WE HAD TO BRING ON MORE PEOPLE

AND PUT THEM IN VARIOUS PLACES
ACROSS THE COUNTRY,

AND THIS IS WHERE THEY ARE

RIGHT NOW.

AND AGAIN, I DON'T KNOW IF YOU
CAN READ THOSE NAMES,

BUT YOU CAN SEE
THE CONCENTRATION AREAS:

FLORIDA, THE NEW YORK AREA,
BOSTON, DETROIT, CHICAGO,

THE McALLEN, TEXAS, AREA.

WE HAVE AN INVESTIGATOR
DOWN THERE.

I KNOW GENE MENTIONED THAT
AS A HOT SPOT FOR FRAUD,

AND IT IS INDEED.

AND ALSO OUT
IN THE SOUTHERN CALIFORNIA,

WHICH IS A HOT SPOT.

THESE ARE WHERE WE HAVE
OUR INVESTIGATORS.

AS WE SEE THINGS DEVELOP AND CAN
SORT OF ANALYZE THE WORKLOAD

AS IT COMES ACROSS
IN THE COMPLAINTS

AND THE WORK THAT'S OUT THERE,

WE MAY SHIFT PEOPLE
OR BRING ADDITIONAL PEOPLE ON

IN OTHER AREAS, BUT FOR NOW,
THAT'S WHERE WE ARE.

>> COMPLAINT INTAKE.

THEY COME FROM A VARIETY
OF SOURCES.

THEY COME FROM THE PLANS.

THEY COME FROM THE SMPs.

THEY COME FROM CMS AT TIMES.

OCCASIONALLY
THEY ACTUALLY COME TO US

FROM A MEMBER OF CONGRESS.

WE HAVE OUR HOTLINE,
1-877-7SAFERX.

WE GET COMPLAINTS FROM THERE.

WE GET COMPLAINTS
FROM THE OIG HOTLINE,

WE GET THEM THROUGH THE MAIL,
WE GET THEM THROUGH FAX,

AND WE GET THEM INTERNALLY,

AND WHEN I SAY INTERNALLY,

THAT'S WHERE IT COMES INTO THAT
DATA UNIT THAT WE HAVE,

THE REALLY BRIGHT PEOPLE
WHO WORK,

THEY TRY TO FIGURE OUT
WHAT TRENDS ARE OUT THERE,

WHAT AREAS WE SHOULD
BE LOOKING AT

TO SEE IF THERE IS INDICATIONS
OF FRAUD.

PROACTIVE ANALYSIS.

AND AGAIN, JEAN WAS ALLUDING
TO THIS IN HER WORK,

SO I DON'T WANT TO--
OR IN HER PRESENTATION--

SO I DON'T WANT TO GO
TOO MUCH INTO THAT.

BUT THIS IS AN AREA THAT YOU
GUYS CAN REALLY WORK ON

DETERMINING THESE THINGS BEFORE
THEY BECOME A HUGE PROBLEM,

BEFORE THEY HAVE TO COME TO US

AND BEFORE THEY HAVE TO GO
TO LAW ENFORCEMENT.

I'M ASSUMING THAT
YOU ALL HAVE DATA UNITS

AND GOOD DATA PEOPLE
THAT CAN DO SOME ANALYSIS.

WE HAVE SET UP WHAT WE CALL
OUR INNOVATION SCHEMES,

WHERE WE TAKE A NURSE,
A PHARMACIST,

A DATA ANALYST, AN INVESTIGATOR,
AND INVESTIGATIVE ANALYST,

AND BASICALLY WE ASK THEM
TO BRAINSTORM.

WHAT AREAS DO YOU THINK MIGHT BE
POTENTIAL FRAUD OCCURRING

AND THEN HOW CAN WE DRILL DOWN
THROUGH THE DATA

TO TRY TO FIGURE OUT IF YOUR
THEORY HAS ANY VALIDITY TO IT?

THEY'VE COME UP WITH SOME GREAT,
GREAT SUGGESTIONS AND CONCEPTS,

AND THEN WE DO JUST THAT.

WE RUN THE DATA TO SEE
WHAT IT SHOWS.

NOW, IF IT SHOWS THAT
THERE IS POTENTIALLY A PROBLEM,

THAT DOESN'T NECESSARILY MEAN

THERE IS

BECAUSE THAT'S ONLY LOOKING
AT THE NUMBERS.

THAT'S WHEN IT BECOMES WE HAVE
TO TAKE IT TO THE NEXT STEP

AND START TO GO OUT
AND TAKE A LOOK.

ONE OF MY FAVORITES, AND AGAIN,
JEAN ALLUDED TO IT,

HOW FAR IS
THE BENEFICIARY TRAVELING

TO GET TO THE PHARMACY?

50 MILES? I DON'T KNOW
ABOUT WHERE YOU LIVE.

WHERE I LIVE, THERE'S A PHARMACY
ON ALMOST EVERY CORNER ANYMORE.

THEM AND BANKS. I'M NOT SURE
WHAT THE CONNECTION IS,

BUT THERE'S A BANK--

THE SHOPPING CENTER 2--4 BLOCKS
FROM MY HOUSE

HAS 4 BANKS
WITHIN THAT SHOPPING CENTER

AND THE ONE ACROSS THE STREET.

>> COLLUSION
>> IT'S COLLUSION.

I'M NOT SURE WHAT IT IS,

BUT THEY'RE SPRINGING UP
ALL OVER THE PLACE.

SO WHAT BENEFICIARY HAS TO
GO MORE THAN 50 MILES

FROM HIS HOUSE TO THE PHARMACY

TO FILL HIS PRESCRIPTION?

IT JUST DOESN'T MAKE SENSE.

NOW, IT CAN MAKE SENSE.

IT COULD BE SOMEBODY
WHO'S ON VACATION

AND NEEDS TO GET
A PRESCRIPTION FILLED.

IT COULD BE, AS JEAN SAID,
A SNOWBIRD

WHO'S MILES WAY.

BUT WHEN YOU START TO LOOK
BEYOND THAT DATA

AND YOU START TO SEE THAT,

YOU KNOW,
THAT PARTICULAR PHARMACY

OR THAT PARTICULAR DOCTOR HAS
OVER 50% OF HIS BENEFICIARIES

COMING TO HIM
FROM MORE THAN 50 MILES AWAY.

SOMETHING'S NOT RIGHT THERE.

THAT'S JUST NOT
GONNA MAKE SENSE.

YEAH, YOU'LL SEE THE INDIVIDUAL,

THE ONE THAT IS ON VACATION,
NEEDS A PRESCRIPTION

OR HAS A MEDICAL EMERGENCY
AND HAS TO VISIT A DOCTOR

AND GET A PRESCRIPTION WRITTEN
AND FILL IT AT A PHARMACY

THAT'S NOT AROUND THE CORNER
FROM THEIR HOUSE,

BUT THAT'S GONNA BE
THE EXCEPTION

AS OPPOSED TO THE RULE.

SO WE'VE DONE THAT,
AND WE'VE GONE OUT

TO DO DRIVE-BYS
ON THESE PHARMACIES

THAT ARE SPRINGING UP
ON THIS STUDY.

AND THE FIRST COUPLE
WE LOOKED AT DIDN'T EVEN EXIST.

THAT'S SOMETHING THAT YOU MIGHT
WANT TO TAKE BACK.

AND JUST 1 EXAMPLE OF THE
CONCEPT OF WHAT YOU FOLKS CAN DO

WITH YOUR DATA PEOPLE

BECAUSE THAT'S WHERE
THE INFORMATION IS,

THAT'S WHERE
YOU CAN LOOK FOR TRENDS.

SO YOU CAN LOOK AND SEE.

THERE'S A PHARMACY THAT'S BEEN
BILLING AT A STANDARD LEVEL

FOR 2, 3, 4 YEARS,

AND THEN ALL OF A SUDDEN
THERE'S A HUGE SPIKE.

THAT'S SOMETHING YOU MIGHT
WANT TO TAKE A LOOK AT.

WE'VE RUN INTO CASES--

I'M PROBABLY GETTING AHEAD OF
MYSELF A LITTLE BIT--

RUN INTO CASES WHERE A--

WE'LL CALL 'EM A MOM AND POP
PHARMACY--

IN THE FLORIDA AREA--
NO SURPRISE--

SELLS OUT TO SOME FOLKS WHO ARE
MAYBE NOT QUITE SO LEGITIMATE

AND THEY GO FROM BILLING,
YOU KNOW,

AVERAGE \$10,000 TO \$15,000
IN PRESCRIPTIONS IN A WEEK

TO 150,000.

IN THE SPACE OF 2 MONTHS, OVER--
JUST UNDER \$1 MILLION.

AND AGAIN, WE'LL GET TO THAT
A LITTLE LATER,

BUT THOSE ARE THE KIND OF THINGS
THAT YOU CAN DO

WITH DATA
AND PROACTIVE ANALYSIS.

AGAIN, SOME OF THE DATA
INITIATIVES WE LOOK AT,

PHARMACIES--ARE THERE SPIKES
IN ANY OF THE PHARMACIES?

ARE THEY TOO FAR AWAY
FROM THE BENEFICIARY?

WHAT ABOUT THE BENEFICIARIES?

THAT BENEFICIARY WAS SEEING
60 DIFFERENT DOCTORS

AND VISITING
32 DIFFERENT PHARMACIES.

MIGHT BE A PROBLEM.

IT MIGHT BE A PROBLEM.

THEY MIGHT BE VERY SICK,
BUT IT MIGHT BE A PROBLEM,

SOMETHING YOU MIGHT WANT
TO TAKE A LOOK AT.

OVER-PRESCRIBING PHYSICIANS.

A STUDY WE DID JUST RECENTLY
INDICATED--

AND THIS IS SO NEW I CAN'T EVEN
GET INTO THE DETAILS OF IT

EXCEPT THAT WHAT WE SAW,

AND I THINK WE NEED TO GO BACK
AND VERIFY THE NUMBER

BECAUSE IT WAS SO OFF THE CHARTS
THAT I WONDER ABOUT IT,

1 DOCTOR, 1 PATIENT, 1 DRUG--
\$5 MILLION.

NOW, THAT'S OVER, WHAT, MAYBE
A YEAR PERIOD, BUT STILL.

IT'S SOMETHING YOU MIGHT WANT
TO TAKE A LOOK AT.

IF IT'S THERE,
MAYBE IT MAKES SENSE.

IT SURE DOESN'T SOUND LIKE
IT MAKES SENSE TO ME.

PILL MILLS.

YOU KNOW HOW TO IDENTIFY
A PILL MILL?

YOU DRIVE DOWN TILL YOU SEE
THE DOCTOR'S OFFICE,

AND WHEN THERE'S A LINE
OUT THE DOOR,

AROUND THE CORNER,
AND BACK DOWN THE OTHER STREET,

THAT WHAT CARL FLORES
LIKES TO CALL--

THAT'S WHAT WE CALL A CLUE.

THERE'S NO REASON FOR THAT.
THERE REALLY ISN'T.

NOW, AGAIN, YOU NEED
TO TAKE THE NEXT STEP

AND LOOK FURTHER,

OR ACTUALLY I GUESS WE NEED
TO TAKE THAT NEXT STEP

AND LOOK FARTHER AND THEN REFER
THAT TO LAW ENFORCEMENT.

BUT THAT JUST DOESN'T RING TRUE
TO ANYBODY.

THE MEDICAL EXAMINER PROJECT,
I THOUGHT,

WAS ANOTHER
VERY INTERESTING ONE.

AND I'M, AGAIN,
JUMPING A LITTLE BIT AHEAD.

SECOND-LEADING CAUSE OF DEATH
IS OVERDOSES.

AND THERE'S MORE OVERDOSE DEATHS
FROM PRESCRIPTION MEDICATIONS

THAN THERE IS NOW
FROM HEROIN, COCAINE,

AND THE OTHER DRUGS
THAT YOU HEAR ABOUT.

SO WE TRY TO GET LEADS FROM
THE MEDICAL EXAMINER'S OFFICE,

OVERDOES DEATHS.

IS THERE ANY LINK BETWEEN
THOSE 10 OVERDOSE DEATHS

IN THE MIAMI AREA
AND ANY PARTICULAR PHYSICIAN?

THERE'S SOME THINGS THAT
YOU CAN DO WITH DATA.

CHANGE SCORE ANALYSIS
HELPS TO IDENTIFY

THE POP-UP PHARMACIES,
THE FALSE-FRONT PROVIDERS.

OR HIGH PRESCRIBERS.

OR ORGANIZED DIVERSION RINGS.

AGAIN, LOOK AT THE DATA,
LOOK FOR CHANGES,

LOOK FOR ABERRATIONS,
AND THEN LOOK BEHIND IT,

BECAUSE THE DATA ITSELF DOESN'T
TELL YOU THAT THIS IS FRAUD.

IT CAN'T. YOU NEED TO TAKE
THE NEXT STEP.

BUT IT SURE IS A GOOD INDICATOR.

THESE ARE SOME OF THE
INVESTIGATIONS THAT WE'VE DONE.

PHARMACIES OBVIOUSLY.
DRUG DIVERSION RINGS.

THOSE ARE THE PEOPLE

WHO ARE GETTING THE
PRESCRIPTIONS FILLED.

AGAIN, IN 1 CASE,

I MENTIONED 1 BENEFICIARY
WHO HAD SEEN 60 DOCTORS.

THERE'S ANOTHER CASE,
I THINK IT WAS IN TENNESSEE,

WHERE HE HAD SEEN
OVER 200 DOCTORS.

AND HE'S GETTING PRESCRIPTIONS
AND HE'S GETTING THEM FILLED

AND THEN HE'S TAKING THESE DRUGS

AND SELLING THEM
OUT ON THE STREET,

AND HE'S MAKING
GOOD MONEY DOING IT.

WELL, HE WAS. HE GOT CAUGHT.

BUT PEOPLE DIED
BECAUSE OF THE OVERDOSES

BECAUSE THIS GUY WAS DOING THIS.

WE TAKE THIS VERY SERIOUSLY

BECAUSE IT NOT ONLY AFFECTS
PATIENTS' HEALTH,

IT KILLS PEOPLE.

SECOND LEADING CAUSE OF DEATH.

ILLICIT INTERNET PHARMACIES,
TELEMARKETING FRAUD.

TELEMARKETING FRAUD...
I'M SURE YOU GUYS PROBABLY KNOW

THAT WAY BACK WHEN
THE PRESCRIPTION DRUG PLAN

FIRST STARTED WITH MEDICARE,
THE 2.99 SCAMS CAME UP

WHERE BAD GUYS WOULD CALL
AN ELDERLY PERSON AND SAY,

"FOR \$299, I CAN ENROLL YOU,

"AND THAT WILL BE THE ONLY COST
YOU'LL HAVE

"TO JOIN THE MEDICARE
PART "D" PROGRAM.

"JUST GIVE ME
YOUR BANK INFORMATION

"AND IT'LL ALL BE GOOD.

I CAN JUST DEBIT THE MONEY
FROM THERE."

WELL, A LOT OF PEOPLE
FELL FOR THAT.

I THINK NOW THE TELEMARKETING
SCHEME IS UP TO 3.99

BECAUSE OF INFLATION,
PRICES GO UP,

AND ALSO WITH THE NEW
HEALTH CARE REFORM BILL,

THERE WAS A BRIEF FLURRY OF
ACTIVITY IN THAT REGARD,

NOT JUST RELATED TO PART "D,"

BUT YOU KNOW, "FOR \$300,
WE CAN SIGN YOU UP

"FOR THIS NEW HEALTH CARE PLAN,

AND THAT WILL BE YOUR
ENTIRE COST OUT OF POCKET."

WE THOUGHT BECAUSE
WE HAD THIS FLURRY

THAT THAT WAS
REALLY GONNA TAKE OFF

AND BECOME A HUGE PROBLEM
FOR US,

BUT IT SEEMS TO HAVE
TAPERED BACK OFF AGAIN

AT LEAST WITH THE COMPLAINTS
THAT WE'RE SEEING.

I CAN'T SPEAK FOR THE ZPICS
AND THE OTHER CONTRACTORS

TO SEE IF THEY ARE SEEING
MORE OF THOSE,

BUT WE HAD A BRIEF FLURRY AND
THEN IT SEEMS TO HAVE DIED AWAY,

BUT WE'RE STILL LOOKING FOR IT.

IDENTITY THEFT.
JEAN DID SUCH A GOOD JOB

GOING INTO THAT I'M JUST GONNA
SORT OF GLOSS OVER THAT ONE,

BUT SHE IS RIGHT ON WITH ALL
THAT SHE SAYS ABSOLUTELY.

IT'S A HUGE PROBLEM

AND NOT JUST BECAUSE OF THE
BILLINGS TO THE GOVERNMENT,

BUT BECAUSE OF THE POTENTIAL
HEALTH IMPLICATIONS

FOR THE BENEFICIARIES
WHOSE NUMBERS ARE COMPROMISED

SOMEWHERE DOWN THE ROAD

WHEN SOMEONE STARTS TO LOOK

AT THEIR RECORD

AND THINKS THAT
THEY HAVE DIABETES

BECAUSE THEY'VE BEEN GETTING
A DIABETES DRUG

WHEN THEY DON'T IN FACT
HAVE DIABETES

OR SIMILAR SITUATIONS.

AND THE INFUSION THERAPY FRAUD
I WILL TALK ABOUT A LITTLE BIT

IN AN UPCOMING SLIDE

BECAUSE THAT HAS BEEN
A HUGE PROBLEM, OF COURSE, TOO,

DOWN IN FLORIDA.

>> PHARMACY INVESTIGATIONS.

THESE ARE JUST TWO EXAMPLES
OF WHAT WE'VE SEEN.

AGAIN, IF YOU'LL NOTICE UNDER
PHARMACY "A," FRAUDULENTLY

OBTAINED BENEFICIARY
INFORMATION--BILLING

FOR EXPENSIVE MEDICATIONS THAT
ARE NEVER ACTUALLY PROVIDED.

REPRESENTING THAT A PHYSICIAN
HAD ACTUALLY PRESCRIBED

THE MEDICATIONS WHEN IN FACT
THEY HADN'T, OR FORGING THE

PRESCRIPTIONS OR JUST CALLING
THEM IN AND JUST--THEY GET

VERY, VERY CREATIVE.

YEARS BACK WHEN I WAS WITH
OIG, THERE WAS A MAJOR

PHARMACY FRAUD DIVERSION RING
IN THE BALTIMORE AREA WHO

ACTUALLY WENT TO STAPLES
AND CREATED THEIR OWN

PRESCRIPTION PADS.

ON THE PHONE NUMBER FOR THE
DOCTOR SO IF THE PHARMACY

WANTED TO CALL AND CHECK,
THEY'D PUT THEIR OWN

PHONE NUMBER.

VERY ELABORATE, VERY ELABORATE
SCHEMES, AND VERY CREATIVE

PEOPLE WORKING THEM.

AGAIN, PHARMACY "B" IS TO A
LARGE EXTENT THE SAME TYPE

OF SCHEME.

UM...

BUT THE KEY WITH THAT SECOND
ONE IS SOMETHING I'LL GET TO

IN A COUPLE OF MINUTES.

THE PART "D" WORKING
GROUP THAT WE HAVE.

INFORMATION THAT WAS SHARED
DURING THE PART "D" WORKING

GROUP, WHERE WE GET PEOPLE
FROM THE PART "D" PLANS--WE

GET LAW ENFORCEMENT TOGETHER,
AND WE GET OUR FOLKS FROM THE

MEDIC TOGETHER, AND WE TALK
ABOUT PROVIDERS THAT WE THINK

MIGHT BE A PROBLEM.

ALL OF A SUDDEN AT THIS
MEETING, THE SAME NAME KEPT

COMING UP--THE SAME NAMES KEPT
COMING UP, SO WE DID A LITTLE

DIGGING AND WE WERE ABLE TO
DEVELOP ENOUGH INFORMATION TO

REFER IT TO OIG, AND WITHIN

30 DAYS, THEY HAD INDICTED

THE BAD GUYS.

AND I DON'T KNOW IF ANY OF
YOU HAVE EXPERIENCE

IN LAW ENFORCEMENT.

30 DAYS FROM LEARNING ABOUT
A COMPLAINT TO AN INDICTMENT

IS PHENOMENAL.

IT JUST NEVER HAPPENS.

I MEAN, IT'S LITERALLY
UNHEARD-OF.

DRUG DIVERSION.

I THINK I'VE ALREADY SPOKEN
ABOUT THEM A LITTLE BIT.

AND THIS CLOCK HERE IN FRONT
OF ME IS VERY INTERESTING

BECAUSE TIME'S GOING A LOT
FASTER THAN I THOUGHT IT WAS

GOING TO, AND I DON'T WANT TO
RUN OVER BECAUSE I KNOW WE'RE

ALREADY RUNNING A
LITTLE BIT LATE.

BUT THESE ARE JUST SOME OF
THE ONES WE'VE DONE.

AGAIN, IDENTITY THEFT.

IT'S THERE, IT'S ALL THE TIME,
AND IT'S GETTING WORSE,

AS JEAN SAID.

AND IT SOMETIMES INVOLVED
THE ORGANIZED GROUPS.

IN ANOTHER INSTANCE WE'VE

SEEN THE ADMINISTRATOR FROM

AN ASSISTED LIVING FACILITY
STEALING THE DRUGS FROM

THE PEOPLE IN HER CARE TO
FEED HER OWN HABIT.

DESPICABLE BEHAVIOR.

FORGERY OF PHYSICIANS'
SIGNATURES--FAIRLY COMMON.

AND WE LIKE TO, AS BEST WE CAN
AND AS OFTEN AS WE CAN, TO GET

TOGETHER AND WORK WITH THE
PLAN SPONSORS TO TRY TO

ADDRESS THESE DRUG
DIVERSION SCHEMES.

TYPICALLY, THOUGH, A DRUG
DIVERSION SCHEME, UNLESS IT'S

A WIDE-SCALE SCHEME--SAY

THAT 5 TIMES REAL FAST.

WIDE-SCALE SCHEME.

DOESN'T RISE TO THE LEVEL
WHERE WE CAN GET FEDERAL

PROSECUTORS INTERESTED IN IT.

THE DOLLARS JUST
AREN'T THERE ENOUGH.

THEY HAVE LIMITED
RESOURCES, AND IF YOU TAKE

FLORIDA, FOR EXAMPLE, THEY'RE
RAMPANT WITH MILLION-DOLLAR-

PLUS FRAUD CASES.

THEY'RE PROBABLY NOT GONNA BE
ABLE TO TAKE A \$60,000 FRAUD

SCHEME ON A LOCAL
DRUG DIVERSION SCHEME.

SO THAT'S WHEN WE CAN TRY
TO GET LOCAL LAW ENFORCEMENT

INVOLVED AND TRY TO GET THE
PROSECUTIONS DONE THAT WAY

BECAUSE WE DO SEE IT AS VERY
IMPORTANT, ALTHOUGH THERE HAVE

BEEN CHARGES FILED IN FEDERAL
COURT FOR SOME OF THESE,

BUT GENERALLY IN THE STATES
THAT YOU DON'T THINK OF AS

THE MAJOR FRAUD HUBS--NORTH
CAROLINA, FOR EXAMPLE.

OVER-PRESCRIBING PROVIDERS.

AGAIN, YOU FIND A DRUG-SEEKING
BENEFICIARY, SOMEONE WHO'S

VISITED 60 DOCTORS AND 30
PHARMACIES TO GET HIS DRUGS.

THAT'S PROBABLY NOT THE
RESULT OF AN

OVERPRESCRIBING PHYSICIAN.

BUT IF YOU FIND ONE
BENEFICIARY WHO'S GETTING

A TON OF DRUGS FROM ONE
DOCTOR, MAYBE THAT IS.

AND AGAIN, THIS IS WHAT
YOUR DATA TAKES YOU TO.

AND AGAIN THE GREATEST AREA OF
BENEFICIARY HARM, AND I KEEP

COMING BACK TO THAT--SECOND
LEADING CAUSE OF DEATH.

WE'VE INDICTED A TENNESSEE

DOCTOR WHO WAS DOING JUST

THAT, AND I'M TRYING
TO FIND MY NOTES.

HE...

HE WAS ONE OF THOSE WHERE
YOU WOULD--I'M SORRY.

JUMPING BACK TO HOW YOU
IDENTIFY A PILL MILL.

TAKE A LOOK IN A PARKING LOT,
TOO, AND LOOK AT THE LICENSE

PLATES OF THE CARS.

IF YOU'RE IN FLORIDA AT THE
PHARMACY OR AT THE PHYSICIAN

AND THE LICENSE PLATES ARE
FROM TENNESSEE AND KENTUCKY

AND WEST VIRGINIA AND
VIRGINIA, THAT'S A CLUE, TOO,

BECAUSE THEY WILL TRAVEL
THAT FAR WHEN THEY KNOW THAT

THERE'S A PHYSICIAN WHO'S
WILLING TO WRITE THEM A SCRIPT

FOR A \$50 CASH PAYMENT AND OUT
YOU GO WITHOUT EVER HAVING ANY

MEDICAL TREATMENT AT ALL.

AND AGAIN, THE FLORIDA MEDICAL
EXAMINER DATA--WE'RE TRYING TO

EXPAND THAT TO OTHER
STATES AS WELL.

IT'S NOT ALWAYS EASY, THOUGH,
BECAUSE SOME STATES WILL

RELEASE THAT INFORMATION TO
YOU; OTHER STATES WILL NOT.

AGAIN, SECOND LEADING CAUSE
OF ACCIDENTAL DEATH.

I'M DOWN TO 8 MINUTES AND 23
SECONDS, SO I'M GONNA HAVE TO

START PICKING THIS UP
A LITTLE BIT.

A LOT OF THESE THINGS
I ALREADY TALKED ABOUT,

BUT BROWARD COUNTY, FLORIDA,
HAS BECOME THE HUB FOR THIS

STUFF, AND YOU CAN SEE LICENSE
PLATES FROM KENTUCKY, OHIO,

TENNESSEE, WEST VIRGINIA.

AND AGAIN, FLORIDA APPARENTLY
LEADS THE NATION IN OXYCODONE

SALES, ACCORDING
TO DEA STATISTICS.

TELEMARKETING AND
WEB FRAUD SITES.

I'VE ALREADY TALKED
ABOUT THE TELEMARKETING.

MOST OF THOSE END UP--WE WORK
WITH THE FTC A LITTLE

BIT ON THOSE.

I DO KNOW THAT WE AT ONE POINT
IN TIME DID WORK WITH THE

ROYAL CANADIAN MOUNTED POLICE,
AND THAT ALWAYS BRINGS TO MIND

DUDLEY DO-RIGHT, BUT
THAT'S WHERE A LOT

OF THE TELEMARKETING SCAMS
WERE ORIGINATING FROM,

WAS CANADA.

MEDICARE ADVANTAGE PLANS--YOU
PROBABLY KNOW THESE STATISTICS

PRETTY WELL, BUT I THOUGHT I'D
PUT THOSE OUT THERE FOR YOU.

11 MILLION BENEFICIARIES,
ROUGHLY 24% OF THE MEDICARE

POPULATION, AND THAT'S UP
SIGNIFICANTLY SINCE 2003.

THE PROBLEM FOR US IN THIS
AREA FRANKLY IS THE DATA.

WE DON'T HAVE ACCESS TO THE
DATA TO TRY TO WORK THOSE

FRAUD CASES UP.

IT MAKES IT A LITTLE BIT
HARDER FOR US TO DO THAT

PROACTIVE ANALYSIS
ON THESE CASES.

WE DO WORK WITH THE PLANS TO
TRY AND GATHER DATA WHEN WE

CAN AND THEN WORK WITH WHAT
WE'RE ABLE TO, BUT THAT'S JUST

THE WAY THE SYSTEM IS,
SO WE HAVE TO WORK WITH IT,

BUT IT DOES MAKE IT A LITTLE
BIT MORE DIFFICULT TO DO THOSE

PROACTIVE ANALYSES.

THE INFUSION FRAUD
SCHEME--AND AGAIN, IT'S

THE IDENTITY THEFT.

16 PART "C" PLANS WERE
AFFECTED BY THIS, AND AGAIN,

THIS STARTED THE WORKING

GROUP WE HAVE NOW THAT MEETS

QUARTERLY FOR THE
PART "C" PLANS.

WE GET THE PART
"C" PLANS TOGETHER.

WE GET LAW ENFORCEMENT
TOGETHER.

WE GET THE MEDIC TOGETHER,
AND WE TALK ABOUT THESE THINGS

AND SEE IF THE SAME SCHEMES
COME UP, AND THIS IS HOW WE

HELP TO IDENTIFY THAT
16 OF THESE PLANS WERE

AFFECTED BY IT.

THE DOLLARS ON THIS--IT
WAS \$15 MILLION BILLED.

IN THIS ONE PARTICULAR CASE,
\$50 MILLION BILLED.

ONLY 6 MILLION OF THAT WAS
PAID OUT, BUT YOU CAN SEE

THE SCOPE OF THE PROBLEM.

\$50 MILLION.

AND THESE WERE PEOPLE WHO
BOUGHT IDENTITIES, SET UP

PHONY ADDRESSES, PHONY
CLINICS, DIDN'T EXIST, NOBODY

GOT ANY SERVICES WHATSOEVER,
AND THEY BILLED \$50 MILLION

AND GOT PAID \$6 MILLION.

8 OF THEM HAVE BEEN CAUGHT.

I DON'T THINK THEY'VE BEEN
SENTENCED YET, AND I DON'T

THINK THEY'VE ALL
AGREED TO PLEAD GUILTY.

I KNOW ONE OF THE MASTERMINDS
HAS AGREED TO PLEAD GUILTY

AND HIS SENTENCING SHOULD BE
COMING UP SOON, SO HE'LL BE

COOPERATING AGAINST THE
OTHERS, SO WE CAN GET THAT

CASE DONE.

THINK ABOUT THAT.

NO CLINIC.

NO PATIENTS OTHER THAN
THE LIST THAT THEY BOUGHT.

\$50 MILLION BILLED,
\$6 MILLION PAID.

THERE'S BIG MONEY OUT THERE
IF THEY KNOW HOW TO DO IT,

AND THEY DO KNOW HOW TO DO IT.

THAT SCHEME HAS EVOLVED,
AS YOU CAN SEE, THROUGH

SEVERAL DIFFERENT STATES.

STARTED IN FLORIDA.

THEN THEY MOVED
NORTH TO GEORGIA.

LITERALLY THE FIRST STOP RIGHT
ACROSS THE FLORIDA BORDER,

THE NORTHERN FLORIDA BORDER,
THEY OPENED UP SHOP THERE.

THE SHOPS ARE NOT SHOPS.

THEY'RE NOT EVEN BUSINESSES.

THEY'RE A UPS STORE WITH
A MAILBOX, AND THE MAILBOX

BECOMES THEIR ADDRESS.

AGAIN, THE SAME SCHEME MOVED
NORTH INTO GEORGIA, AND THIS

IS HOW IT WORKS.

THEY ENROLL THE BENEFICIARIES.

THEY CALL BACK TO MAKE
SURE THAT THE BENEFICIARIES

ARE ENROLLED.

THEY START TO SUBMIT THE
CLAIMS FOR THE SERVICES.

THE CHECKS GO OUT TO THE UPS
STORE AND PUT IN THE MAILBOX.

A RUNNER COMES AND PICKS THEM
UP, AND THEY TAKE THEM BACK

AND CASH THEM IN CHECK-CASHING
STORES, LIQUOR STORES,

WHEREVER, WHICH MAKES ME
WONDER BECAUSE SOME OF THOSE

CHECKS ARE LARGE, AND I DON'T
USE CHECK-CASHING STORES THAT

MUCH, BUT I'M NOT SURE HOW
MUCH MONEY THEY KEEP ON HAND,

AND SOME OF THESE CHECKS
WERE FOR SIGNIFICANT DOLLARS.

MAKES ME WONDER IF THERE
WASN'T SOME COLLUSION

IN THERE, AND I HOPE AND TRUST
THAT LAW ENFORCEMENT IS TAKING

THE STEPS TO SEE IF
THAT EXISTS AND WE HAVE

CONSPIRATORS THERE AS WELL.

AGAIN, I GOT AHEAD OF MYSELF.

THE MONEY GETS LAUNDERED.

IT ENDS UP OVERSEAS,
DIFFERENT COUNTRIES.

THERE'S AS MANY AS 30
DIFFERENT PHONY PROVIDERS OUT

THERE SUBMITTING CLAIMS,
STILL WORKING ON THEM,

AND AGAIN THE LAST
LINE, OVER 1,000

FALSE STOLEN I.D.s.

AGAIN THE PART
"C" WORKING GROUP,

THE NEXT MEETING IS JUNE 30.

I REALLY ENCOURAGE ANY OF YOU
THAT HAVE PART "C" PLANS TO

TRY TO TAKE PART IN THEM.

IT'S A GREAT EXPERIENCE.

YOU GET TO SHARE INFORMATION,
LEARN THINGS.

MAYBE THIS ONE PROVIDER THAT
YOU THOUGHT MIGHT BE A LITTLE

BIT QUESTIONABLE, THE OTHER
PLANS IN ATTENDANCE HAVE

ALREADY WORKED UP CASES ON
THEM AND KNOW A LOT MORE

ABOUT IT AND CAN HELP POINT
YOU IN THE RIGHT DIRECTION AS

TO HOW YOU CAN HELP SAVE YOUR
PLANS AND THE GOVERNMENT

THE MONEY TO AVOID THESE.

AGAIN, A LOT OF THESE
PEOPLE HAVE BEEN INDICTED

AND CONVICTED.

AGAIN, SIGNIFICANT THEFT OF
HICNs AND SIGNIFICANT THEFT

OF PROVIDER I.D.s.

WE PROVIDE SUPPORT TO LAW
ENFORCEMENT IN PART BY GIVING

THEM THE REFERRALS WHEN WE
DETERMINE THAT THERE'S ENOUGH

INDICATORS OF FRAUD.

WE GIVE THEM THE INVESTIGATIVE
SUPPORT THAT THEY NEED.

WE DO THE LOSS OF THE
GOVERNMENT CALCULATIONS

FOR THEM, WHICH IS IMPORTANT
FOR PROSECUTORS.

THEY NEED TO KNOW, WHEN THEY
WANT TO PUT A CASE IN FRONT

OF A JURY, HOW MUCH MONEY DID
THIS COST THE GOVERNMENT?

HOW MUCH MONEY WAS
LOST BECAUSE OF THIS?

AND JUST TO TOUCH REAL
QUICKLY, A SIGNIFICANT

DEVELOPMENT IN THE LAW-
ENFORCEMENT AREA OVER THE LAST

YEAR OR TWO, STARTING DOWN IN
FLORIDA WHERE, AS WE ALL KNOW,

FRAUD IS RAMPANT, PROSECUTORS
USED TO WANT TO ONLY PROSECUTE

THE AMOUNT OF THE LOSS
TO THE GOVERNMENT.

SO IF \$50 MILLION WAS BILLED
BUT ONLY \$6 MILLION WAS PAID,

THEY WOULD ONLY CHARGE
\$6 MILLION WORTH OF FRAUD.

WELL, WE'VE BEEN TRYING TO
CONVINCE THEM FOR YEARS THAT

THAT'S REALLY NOT THE CASE.

THEY TRIED TO
STEAL \$50 MILLION.

THEY ONLY GOT 6 MILLION,
BUT THEY TRIED TO STEAL

\$50 MILLION, SO A LOT OF
PROSECUTORS NOW ARE TAKING

THAT INTENDED LOSS, WHAT THEY
INTENDED TO STEAL, AND USING

THAT AS THE CHARGEABLE AMOUNT,
AND THAT'S VERY IMPORTANT

BECAUSE IN THE FEDERAL SYSTEM,
SENTENCING GUIDELINES ARE

PARTLY DRIVEN BY HOW MUCH
THE FRAUD SCHEME ENTAILED.

SO \$6 MILLION MIGHT
GET YOU THIS LEVEL.

\$50 MILLION GETS YOU
ADDITIONAL TIME IN JAIL IF

THEY'RE SUCCESSFUL
IN CONVICTING YOU.

WE ALSO DO COORDINATION TO
PUT THE PLANS IN TOUCH

WITH LAW ENFORCEMENT.

IF LAW ENFORCEMENT NEEDS TO
HAVE SOMEONE FROM YOUR PLAN

COME AND TESTIFY ABOUT CERTAIN
THINGS, WE ACT AS A GO-BETWEEN

TO TRY TO GET THAT INFORMATION
TO THEM, AND WE PUT

ON TRAINING PRESENTATIONS FOR
THEM TO HELP EDUCATE THEM

ABOUT THE PART "C"
AND PART "D" SYSTEMS.

DATA SUPPORT--WE PROVIDE
WHATEVER DATA WE CAN TO

LAW ENFORCEMENT.

WE START OUT WITH A PART "C"
OR PART "D," BUT THERE ARE

OCCASIONS WHERE WE NEED TO
HELP PROVE THE CASE--WE NEED

TO HAVE ACCESS TO THE PART "B"
DATA TO HELP PROVE THAT THAT

BENEFICIARY WHO GOT THE
OXYCODONE DIDN'T HAVE ANY

HISTORY OF PAIN ISSUES,
SO WE CAN FIND OUT BY LOOKING

AT HIS PART "D" BILLINGS AND
PART "D" HISTORY AND MEDICAL

RECORDS AND DETERMINE THAT
HE DOESN'T HAVE ANY PHYSICAL

DIAGNOSIS THAT WOULD JUSTIFY
THAT AMOUNT OF BILLS.

AND AGAIN, YOU SEE THE
COMPROMISED HICNs LIST

AND THE ILLEGITIMATE
PROVIDERS LIST.

TEAM APPROACH. I MENTIONED
THESE--THE PART "D" WORKING

GROUP, THE PART
"C" WORKING GROUP.

WE JUST HAD THE PART "D"
WORKING GROUP IN HARTFORD,

CONNECTICUT, ON
THE 20th OF MAY.

VERY WELL ATTENDED.

OIG LAW ENFORCEMENT, ASSISTANT
U.S. ATTORNEYS, A LOT

OF THE PART "D" PLANS--I
FORGET HOW MANY--WERE THERE.

REALLY GREAT OPPORTUNITY
TO SHARE INFORMATION BACK

AND FORTH AND SEE IF YOU DON'T
HAVE COMMON PROBLEMS THAT YOU

CAN HELP ADDRESS
THROUGH THESE THINGS.

THE PART "C" WORKING GROUP
ALSO MEETS QUARTERLY,

AND THE NEXT ONE FOR THAT
IS--I'M SORRY, PART "C"

WORKING GROUP.

NEXT ONE IS JUNE 30.

PART "D" WORKING GROUP,
THE NEXT ONE IS, I THINK,

AUGUST 19.

WOW. I DID THIS GREAT.

I'M DOWN TO 15 SECONDS.

I'M DOWN TO

CONTACT INFORMATION.

YOU CAN COPY THAT
DOWN IF YOU WANT.

I DON'T SEE ANYBODY
FRANTICALLY WRITING, SO I'M

GONNA GO TO THE NEXT SLIDE,
WHICH IS THE MEDIC

CONTACT INFORMATION.

IF YOU NEED TO GET IN TOUCH
WITH US, FAX OR WRITING,

THAT'S WHERE WE ARE.

I READ ZEROES, AND IT'S
TIME FOR QUESTIONS.

I'VE NEVER BEEN ABLE TO
DO THAT BEFORE, EVER.

[APPLAUSE]

ARE THERE ANY QUESTIONS?

>> DO YOU HAVE ALL YOUR
CONTACT INFORMATION

UPDATED IN HPMS?

BECAUSE USUALLY IN HPMS,
THERE'S A LIST THAT THE PLANS

ARE RESPONSIBLE FOR UPDATING.

I'M PRETTY
SURE--CONNIE'S BACK THERE.

I'M PRETTY SURE--I'M PRETTY
SURE THE INFORMATION GOES TO,

LIKE, THE COMPLIANCE AREAS
OF THE PLAN, TO THE CONTACT

PEOPLE THAT ARE
LISTED WITHIN HPMS.

>> CAN I ASK IF THAT ALERT
GOES TO THE REGIONAL OFFICE

STAFF AT ALL?

WE HAVEN'T SEEN IT.

SO IF THE REGIONAL OFFICE
PEOPLE GET IT, I'M SURE TO GET

IT TO THE PLANS.

>> JEAN, THAT'S
RIGHT, ISN'T IT? YEAH.

>> BUT SHE SAID IT'S THE
OTHER SIDE--FEE-FOR-SERVICE

PEOPLE GETS IT.

MANAGED CURE
PEOPLE DON'T GET IT.

>> RIGHT, BECAUSE
IT'S NOT [INDISTINCT]

>> OK, SO...

>> [INDISTINCT]

>> OK,
SO THE ALERT IS DIFFERENTIATED

BETWEEN FEE FOR SERVICE AND
MANAGED CARE, SO THE "C"

AND "D" PEOPLE SHOULD GET THE
MANAGED CARE ALERTS SO WE CAN

SHOOT IT OUT TO THE PLANS.

>> HI. THIS IS JEAN.

FROM THE FEE-FOR-SERVICE SIDE,
IF WE HAVE A MEDICARE

BENEFICIARY WHO'S NOT IN A
MANAGED CARE PLAN AND WE HAVE

A LISTING OF COMPROMISED

NUMBERS ON THE FRAUD ALERT,

THAT BENEFICIARY'S NUMBER
MAY NOT COME TO YOU,

BECAUSE THEY'RE NOT
NECESSARILY IN YOUR PLAN.

SO MY UNDERSTANDING IS THAT
WE WOULD SEND THOSE THINGS TO

THE MEDIC.

THE MEDIC WOULD BE THE ENTITY
THAT WOULD BE ABLE TO DEAL

WITH--IF THAT PATIENT THEN
ENROLLS IN A PLAN, YOU CAN GO

CHECK YOUR ENROLLMENT AGAINST
THEIR STUFF, BUT WE CAN'T

SHARE WITH YOU STRAIGHT FEE-
FOR-SERVICE MEDICARE PATIENTS

BECAUSE THERE'S NO
RELATIONSHIP FROM THAT PATIENT

TO YOU FOR YOU TO
HAVE THAT INFORMATION.

WE HAVE A HIPA ISSUE.

SO WE CAN SHARE
WITH THE MEDIC.

YOU CAN PING OFF THE MEDIC
ANY PATIENT YOU HAVE A CONCERN

ABOUT, OR IF YOU HAVE
ENROLLMENT, THEY CAN CHECK

YOUR ENROLLMENT LIST AGAINST
OUR FRAUD ALERTS TO SEE IF

THERE'S A PING AND THEY CAN
COME BACK TO YOU ON THAT.

>> I'M SORRY. I MAY HAVE
MISUNDERSTOOD YOUR QUESTION.

YOU WERE TALKING ABOUT A
FRAUD ALERT THAT NAMES

A COMPROMISED NUMBER?

JUST FRAUD ALERTS IN GENERAL.

>> YES.

THE QUESTION IS,
IF SOMETHING COMES UP

IN MANAGED CARE THAT YOU
SHOULD BE AWARE OF, HOW DO WE

GET [INDISTINCT]?

>> OK,
AND WE DO OUR FRAUD ALERTS--

FOR THE EXACT SAME ISSUE
WE'LL DO A SANITIZED, WHICH

ELIMINATES THE HICNs AND NPIS,
BUT IT TELLS YOU THE SCAM,

AND THOSE NUMBERS ARE SHARED
WITH LAW ENFORCEMENT, ALL

THE PSCs, ZPICs, THE
REGIONAL OFFICES.

I THOUGHT THE MEDICS WERE
ON THE DISTRIBUTION LIST,

AND I WILL TAKE THAT ISSUE
BACK THIS AFTERNOON.

>> NO,
I KNOW WE GOT ONE JUST LAST

WEEK THAT CAME IN, BUT I
DON'T REMEMBER ANY COMING

IN BEFORE THAT.

WE DO THE OPPOSITE WHERE WE
SUBMIT THE HPMS ALERT TO CMS

FOR APPROVAL AND ISSUANCE.

>> AND WE DON'T SEE THE HPMS--
THE FEE-FOR-SERVICE SIDE

DOESN'T SEE THE
HPMS ALERT, SO OK.

>> IN THAT CASE, I
THANK YOU ALL VERY MUCH.

[APPLAUSE]