DELAWARE HEALTH AND SOCIAL SERVICES

Division of Services for Aging and Adults with Physical Disabilities

Statement of

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Division of Services for Aging and Adults with Physical Disabilities

On

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My name is Helen Carson and I am a Volunteer Service Coordinator/Case Manager of the Delaware Senior Medicare Patrol, at State of Delaware Department of Health and Social Services, Division of Services for Aging and Adults with Physical Disabilities. We are a State Unit on Aging, with a mission to improve or maintain the quality of life for Delawareans who are at least 18 years of age with physical disabilities or who are elderly.

Good afternoon Senator Carper, members of the Subcommittee and staff. Thank you for convening these hearings and for the opportunity to present my testimony today.

Senior Medicare Patrol

The national Senior Medicare Patrol (SMP) has been very busy since its inception in the mid-1990's. In Delaware, the Senior Medicare Patrol program began in 1999 and continues with a strong network of partners both in the state and nationally. Today there are 54 Senior Medicare Patrol programs, one in every state as well as the District of Columbia, Guam, U.S. Virgin Islands and Puerto Rico. These programs are well supported by the national Senior Medicare Patrol Resource Center. Health care fraud is a serious problem. The General Accounting Office (GAO) recently reported that in 2010, the federal government lost an estimated $48 billion on fraudulent claims and other improper payments.

Senior Medicare Patrol programs recruit and train senior volunteers and Medicare beneficiaries, to conduct outreach and education to their peers, caregivers, and professionals about Medicare and Medicaid fraud prevention. The primary message here is that there is something that beneficiaries can do about preventing healthcare fraud.

The goals of Senior Medicare Patrol are twofold: first, to educate and motivate consumers on how to prevent, detect and report healthcare fraud, errors, and abuse; and second, to receive and prepare to refer, as appropriate, complaints of potential healthcare fraud. So why is this important? Indeed, the billions lost to Medicare fraud each year - represents a massive financial loss to the government and beneficiaries. Fraud also can cause people to lose access to care, suffer inappropriately, receive low quality of care, lose benefits, and receive unnecessary or faulty durable medical equipment, the wrong drugs or other things they do not need - all affecting their health and quality of life.

Health Care Fraud Experience Stories

I would like to begin with my health care victimization story. After a history of cardiac issues, my husband had a heart attack in 2004 and was hospitalized. It was discovered that he had a defective device controlling his heart. Costly errors by the hospital resulted in an original 2 day stay turning into 30 days of multiple testing, a serious operation, and intensive care. As a result of this situation, the impact on our lives amounted to my husband not being able to work, leaving us with large co-payments, private hospital bills, and costly medication. We tried various agencies, though we were denied help due to our middle class income. We had no other choice but to refinance our home and use credit cards with minimal payments. Another major decision I made during this time period was to personally forgo a year without medication for chronic conditions, so that my husband could get his life-saving medications.

These were some of the many challenges that we faced in paying for high priced medications and abusive medical services. It was this experience that inspired me to learn about billings, to read Medicare Summary Notices and to help others with issues of health care error, fraud and abuse.

Medicare Summary Notice (MSN) is a quarterly statement of services and supplies that providers and suppliers bill to Medicare.

While trying to cope with this situation, I watched a Senior Medicare Patrol segment on television, on how to address some healthcare issues. As a result, I became a Senior Medicare Patrol Volunteer and am now a part-time Volunteer Service Coordinator / Case Manager for Delaware Partners of Senior Medicare Patrol. I became a self-advocate and now assist others in recognizing hospital billing errors and questionable medical services. Most importantly, I'm now able to read and understand my Medicare Summary Notice. I used to be one of those seniors who threw away the Medicare Summary Notice because I thought my insurance would take care of anything. Now I know better, and realize that the Medicare Summary Notice statement can be a big help in assisting with cases of potential Medicare fraud.

There are many Medicare rules that are complicated and therefore seniors often don't understand the Medicare system. That is why the Senior Medicare Patrol reaches out to Medicare beneficiaries: to inform and educate, so seniors can be self-advocates and report questionable health care issues back to the program. Each case referred from a Medicare beneficiary may be a case that will necessitate gathering further information and/or referring the case for investigation. One such case involved services with Medicare Outpatient Services, Durable Medical Equipment, Prescription Medication, and private billing with a Medicare beneficiary who went into a nursing home for physical rehabilitation. Medicare and Supplemental Insurance were billed and paid for about a year's worth of services. These services were also billed to, and paid for, by the family member. With intervention from the Senior Medicare Patrol, the family member was reimbursed. Other issues, such as questionable Part D prescription medication billed over time, are still under assessment.

In Delaware, we are working on many complaints involving Durable Medical Equipment providers who visit residents in both long term care facilities and in the community, pretending to be educators. In facilities, these providers may present themselves as doctors and staff, and proceed to assist the residents by measuring and fitting them with medical supplies and equipment. Medicare pays for some supplies and equipment because Medicare beneficiaries are being pressured into getting them. We get issues all over the state where the provider has indicated, "It's free from Medicare"; in that Medicare will pay for the supplies or equipment.

One such case we are working on is with "Voice of the Community." A senior resident contacted us about a Durable Medical Equipment provider, who was putting up flyers which advertised "Free Durable Medical Equipment" in a senior apartment building. The provider then came in and "educated" the seniors, pressuring at least one Medicare beneficiary to get an electric wheel chair for the future. This provider manipulated the individual to give out his Medicare number and Supplemental Insurance. As a result, this Medicare beneficiary has an electric wheel chair and fears that if he speaks with us, he may lose the wheel chair. This is a fraud to the tax payers and Medicare; and a harm to the senior who feels caught in the fraudulent process.

In another case, an assisted living beneficiary was billed for medical services not provided by facility physician. These services included office visits to the physician and foot surgery. All the services were billed to Medicare, secondary insurance, and the beneficiary. Interestingly, the beneficiary kept a log of services he received. He was then able to reconcile his record against the Monthly Summary Notice. The beneficiary, fearing retaliation and discharge from the assisted living facility, did not report the fraud until intervention by the Senior Medicare Patrol staff. The case was referred to law enforcement for investigation. These are but examples of similar fraud-related cases handled by the Delaware Senior Medicare Patrol Program.

Volunteer Impact

Some of the stories I shared with you today do not have successful endings, as volunteers are still diligently assisting in the resolution of these issues. Working with the Senior Medicare Patrol program, as a volunteer and now as a team member, is the most rewarding job I've ever had. I help people just like me, a senior. I help people who suffer the same problems that I faced, and some are much greater than mine. But the greatest gift is to see the smile on their face, after you have helped a Medicare beneficiary who was victimized by healthcare fraud, abuse, or waste. I should know because I have been a victim and have felt that sense of hopelessness. SMP volunteers know they do this work for satisfaction and not pay. We owe volunteers a great deal of appreciation for the work that they do and for actually giving up their time, sharing their passion, and using their expertise from a past career to fight health care fraud.

And the impact of these volunteer efforts nationally has been impressive. Since it started in 1997, the Senior Medicare Patrol program has trained over 60,000 volunteers, handled over 141,000 beneficiary complaints, and educated 2.9 million people to be self-advocates. In addition, the program has saved Medicare, Medicaid and beneficiaries close to $106 million through referral and resolution of beneficiary complaints.

Conclusion

In conclusion, it is my opinion as a former credit card investigator and a senior victim, that Medicare should have a reward system in place to encourage people and others like "Whistle Blowers" to speak up. Also, we need tougher laws and stiffer sentences implemented for fraud violations. By combining our efforts, we will combat Medicare fraud, abuse, and waste.