

Northwest Georgia Regional Commission Area Agency on Aging
Elder Rights Council
22JUL2009
MINUTES

ATTENDING:

Kerry DeFoe, AAA
Jeff Taylor, LTC Ombudsman
Susan Greene, GNP
Harriette Bryant, R.N.
Sonja Bass, volunteer
Norma Ferguson, Blue Ridge N.S.
Laura Rogne, North GA Community Action
Lisa Burnett, Ellijay N.S.

Kerry welcomed the group and everyone introduced themselves. Sonja has been caring for her elderly mother, recently deceased, for over five years and is now looking to get active in senior advocacy.

Kerry reviewed the changes coming into effect on 01JAN2010 as a result of the 2008 Medicare Improvements for Patients and Providers Act. The specific changes mentioned were:

1. All Medicare Savings Programs (QMB, SLMB and QI) have an asset test increased to match the asset test for full subsidy LIS. As of 2009, the asset levels are \$8,100 per individual and \$12,910 per couple. The asset test for MSPs and LIS will be indexed each year. These new levels will set a floor for state programs; states may eliminate or increase the asset test for MSPs in their states.
2. With the consent of applicants, Social Security transmits the LIS application data for states for consideration of Medicaid and SMP eligibility. States must act on these transmissions as they do with all other such applications.
3. States are prohibited from recovering the value of Medicare cost-sharing paid under MSPs.
4. SSA will not consider in-king support and maintenance as income for LIS applicants.
5. SSA will not consider the cash surrender value of life-insurance policies as a resource for LIS applicants.
6. The model MSP application is available in the 10 non-English languages spoken by Medicare beneficiaries.
7. Medicare coverage of psychiatric services increases from 50 to 55%.

There are other changes in MIPPA; for further information, refer to www.hapnetwork.org, and look at their past conference call pages for tip sheets.

Kerry also stated that there has been a format selected for the quarterly newsletter and it will be posted on the AAA website with the minutes each quarter.

Harriette Bryant explained the services offered by a Podiatrist. Diabetes can increase a person's risk of having foot problems, and since the extreme consequence of such problems is amputation, foot care for diabetics should be a daily

priority. Podiatry is the design, manufacture, modification and fit of footwear to alleviate problems caused by diabetes; it is the least invasive, conservative approach to foot health. A credentialed podiatrist works toward long-term maintenance of healthy feet and prevention of foot damage by measuring feet, evaluating footwear and making sure of a proper fit for footwear.

Harriette's company is Healthcare Needs, Inc., located in Blue Ridge, and covering all of North Georgia. She offers coaching on foot care and preventive maintenance for diabetics and provides custom measurement and fitting for therapeutic footwear, which reduces pressure more than 50%, callus formation more than 30%, recurring ulceration more than 50% and reduces amputation rates in diabetics by more than 70%.

Harriette also mentioned that the Diabetic Foundation of Georgia can often help patients with supplies. The Foundation is currently attempting to get a special Georgia license plate for diabetics, because the erratic driving behaviors caused by diabetic emergency or problems is often mistaken for drunk driving by police officers.

"Diabetes in a Day" is a seminar being offered at Blairsville Technical College on 29AUG2009. Contact the College for more information.

Ellijay is having a Senior Expo on Saturday, 19SEP2009 from 0730-1200 at Gilmer High School.

Kerry led the group through an exercise that put them in the place of a 68-year-old woman, married for 39 years, living with an increasingly abusive spouse. Everyone decided for themselves what their recourse would be as the situation escalated, and all agreed that it was a very powerful experience.

Lisa Nichols, R.N., with Amedisys Hospice was suggested as a potential member of the Council. Kerry will contact her.

Kerry asked for suggestions for future meeting topics and the following were mentioned:

1. Options for the hearing-impaired
2. Occupational/physical therapy
3. Home safety inspections for the visually impaired
4. Diabetic Foundation of Georgia, Bob Taylor
5. U.S. Postal Inspector's videos (we never saw them all)
6. Mineral Springs DD facility
7. Workshop from the new N. Georgia Alzheimer's Program Director

Our SFY 2010 meeting dates and locations were set as: 06OCT2009, Dalton (hosted by David McGuffey's office, Dave Hastey as speaker); 27JAN2010, Bartow County; 28APR2010, Walker County; 28JUL2010, Ellijay.

There being no further business, the meeting was adjourned.

The Bartow Triad received a report from the Cartersville Police Department of an elderly woman who paid in advance for some replacement windows. Her check was cashed the next day, but she has been unable to contact the contractor since that time. Always remember to check on whom you're doing business with; the Better Business Bureau is a great asset! Never pay up front for any work to be done.

Recent scams reported nationwide:

Florida: A senior in low income housing reported being offered payment in trade for having unnecessary physical therapy and or mental health services.

Iowa: Seniors did business with an insurance agent and when he left the company he took their personal information with him and contacted them about a new plan. When they refused, he put new plan in place anyway.

California: There are doctor groups going after a higher Medicare/Medicaid capitation rate by requiring their patients to switch plans. This is being investigated.

New Jersey: Grandparents in this area are setting up code words with their grandkids to avoid being scammed.

Kansas: Reports call comes from Medicare Program Unit" to get Medicare or SSN number and saying number has expired, then confirming SSN and with SSN, accessing bank accounts.

Illinois, Michigan, Connecticut: Report from a lady who had been hired by the organization "Help Detroit Seniors". The organization gets a list of low income seniors, contacts them and says they will help seniors find benefits. Their investigation shows that they are really filing

false durable medical equipment claims. This person was hired to fill out the forms.

North Carolina: Complaints from a number of beneficiaries who, in reading their MSNs, have discovered that Medicare was charged \$85 for smoking cessation intervention counseling. They tell her that the only "service" was that provider asked them, "Are you still smoking?" No other services were provided.

Missouri: IRS scams are recurring in this area. This time people are being told they have an additional refund coming but bank information is needed to deposit check. IRS's information on scams
<http://www.irs.gov/privacy/article/0,,id=179820,00.html?portlet=1>

From the Kaiser Daily Health Policy Report: Eight defendants were indicted in a massive Florida Medicare fraud case. The [Associated Press](#) reports: "It may be the center for Medicare fraud, but even Miami officials said Tuesday they were surprised by the breadth of a ring they say spanned five states, used 29 fake storefronts and attempted to steal \$100 million from Medicare and Medicare Advantage. Eight defendants were charged in the elaborate scam authorities say billed Medicare for bogus HIV and cancer infusion drugs using dozens of storefronts in Florida, North Carolina, South Carolina, Georgia and Louisiana, authorities said. Two of the defendants and about \$30 million are still missing." The AP notes: "It shows Miami's stepped up health care fraud task force is working. They've prosecuted \$1.5 billion in health care fraud cases in the past three years. Miami alone has had 146 convictions since 2007 in these cases. The fact that the suspects had to move to other states and other avenues of Medicare -- in this case, Medicare Advantage -- signals an understanding on the streets that officials are on to their old tricks."

The AP reports: "Medicare Advantage

allows the elderly and disabled to get benefits through private health insurers. The plans receive a government subsidy and generally offer more benefits than traditional Medicare. In most health care fraud cases, the money is easier to track because there's a bank transfer. Authorities say the group owned two check cashing stores, netting between \$30,000 and \$80,000 in cash several times a week. They fronted through bogus medical clinics around the Southeast." The AP notes: "Last month, U.S. Attorney General Eric Holder announced the federal government would step up health care fraud efforts nationally, increasing the budget by 50 percent to \$311 million in 2010 and adding manpower to task forces in Miami, Los Angeles, Houston and Detroit. Tuesday's indictment was one of the quickest health care fraud turnarounds, with about two months lapsing from the tip to the indictment" (Kennedy, 6/23).

The [Miami Herald](#): "Since 2005, the U.S. attorney's office in Miami has charged about 800 suspects for filing a total of \$2 billion in phony claims -- accounting for one-third of all Medicare fraud cases brought nationwide. Of those defendants, about 60 are fugitives who have fled to Cuba, Latin America and Europe. The latest indictment comes as the Obama administration pushes to fight billions of dollars in Medicare fraud as part of healthcare reform that aims to include coverage for more than 40 million uninsured Americans ... Detroit is the latest city afflicted by Miami-style Medicare fraud, including HIV, medical equipment and home healthcare scams" (Weaver, 6/23).

[Reuters](#): "The 20-count indictment alleges that defendant Michel De Jesus Huarte set up six purported clinics in the Miami area, recruiting straw owners whose names would appear on the paperwork. They were paid large sums of cash with the understanding they would flee to Cuba if necessary to avoid capture, the indictment said ... If convicted, they would face up to 10 years in prison on each count of conspiracy,

healthcare fraud and money laundering, and up to two years in prison for each count of aggravated identity theft. The government is also asking for forfeiture of the ill-gotten profits" (Sutton, 6/23).

Dozens arrested in Medicare fraud busts across U.S.

By KELLI KENNEDY

Associated Press
Published Wednesday, July 29, 2009 12:32 PM

MIAMI -- Federal authorities arrested 32 people, including doctors, in a major Medicare fraud bust Wednesday in New York, Louisiana, Boston and Houston, targeting scams such as "arthritis kits" -- expensive braces that many patients never used.

It's the third major sweep since Attorney General Eric Holder, Health and Human Services Secretary Kathleen Sebelius announced in May they were adding millions of dollars and dozens of agents to combat a problem that costs the U.S. billions each year.

Using about a dozen agents in targeted cities, including Miami, the Medicare Fraud Strike Force, has recovered \$371 million in false Medicare claims and charged 145 people across the country in just two months.

More than 200 agents worked on Wednesday's \$16 million bust that included 12 search warrants at health care businesses and homes across the Houston area.

Federal authorities say those businesses were giving patients "arthritis kits," which were nothing more than expensive orthotics that included knee and shoulder braces. Patients told authorities they were unnecessary and many never used them.

But health care clinic owners billed between \$3,000 to \$4,000 for each kit.

Houston's other scam involved billing Medicare for thousands of dollars worth of liquid food like Ensure for patients who can't eat solid food. Authorities said clinic owners never distributed the food to patients. In some cases, clinic owners billed patients who were dead when they allegedly received the items.

The suspects arrested Wednesday in Houston will make court appearances Thursday morning. Suspects in Boston, New York and Louisiana will have first appearances later today.

The first task force started in 2007 in Miami, a city authorities say alone is responsible for more than \$3 billion a year in Medicare fraud. Clinic owners there would bill Medicare dozens of times for the same wheelchair, while never giving the medical equipment to patients.

The problems have become more complex since then.

Suspects have moved into more sophisticated scams including home health care, physical therapy and infusion drugs. They've even started tapping into Medicaid Advantage, which allows the elderly and disabled to get benefits through private health insurers. The plans receive a government subsidy and generally offer more benefits than traditional Medicare.

Federal authorities say Miami residents are also moving on to other cities, bringing their scams with them.

Strike force teams, each led by a federal prosecutor and a handful of agents, were then started in Los Angeles, Detroit, Houston in the past year. With newfound support and financial aid under the Obama administration, the teams are moving more quickly to make arrests and recover money

than ever before in the history of Medicare fraud.

Agencies participating in the busts included the FBI, the HHS Office of the Inspector General, the Drug Enforcement Administration and the Texas Attorney General's Medicaid Fraud Control Unit.

Along with issuing indictments, authorities freeze bank accounts and seize everything from Rolls Royce's to million dollar homes purchased with funds stolen from Medicare.

Since the HEAT strike, suspects are being charged not just with health care fraud, but all relevant conduct. That means HEAT's average prison sentences is 20 percent more than the overall national average sentence in federal health care fraud cases in 2008.

While authorities are gratified by the arrests, the program's purpose is more than punitive. It's also about deterrence.

In some Miami neighborhoods, the fraud is so rampant that it's become a cultural norm, with some patients raking in more than \$1,000 a month, Kirk Ogrosky, deputy chief of the U.S. Justice Department's criminal fraud section.

On the Net:

www.hhs.gov/stopmedicarefraud