

Tina Kitchin

Authorized Signature
**Number:** SPD-IM-04-032

**Issue Date:** 04/27/2004

**Topic:** Medicaid

**Subject:** Potential Fraud under the Medicare Drug Discount Card Program

**Applies to (check all that apply):**

- |                          |                               |                          |                                      |
|--------------------------|-------------------------------|--------------------------|--------------------------------------|
| <input type="checkbox"/> | All DHS employees             | <input type="checkbox"/> | County Mental Health Directors       |
| X                        | Area Agencies on Aging        | <input type="checkbox"/> | Health Services                      |
| X                        | Children, Adults and Families | X                        | Seniors and People with Disabilities |
| X                        | County DD Program Managers    | X                        | Other (please specify): Brokerages   |

**Message:**

The Centers for Medicare and Medicaid Services (CMS) has announced that they are stepping up efforts to prevent fraud and abuse in the Medicare Drug Discount Card Program. The agency has already had reports of scams in 13 states. It also has investigated 20 cases of potential fraud involving attempts to sell fake discount cards or obtain private information from clients that could be used to file fake claims.

Enrollment in the Drug Discount Card Program will begin May 3, so any solicitations going on now are not Medicare-approved. In addition, companies sponsoring the cards are not allowed to solicit customers through cold calls or door-to-door visits. Any clients who feel that they have been contacted fraudulently or as part of a scam should register a complaint with CMS by calling 1-800-MEDICARE or on the web site at [www.medicare.gov](http://www.medicare.gov). Clients can also contact their local SHIBA office for accurate information on the Medicare Drug Discount Card Program.

In addition to dealing with client complaints in this area, CMS will be monitoring card sponsors on a regular basis to ensure that they are complying with all program requirements.

*If you have any questions about this information, contact:*

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