

Medicare Recipients Lose Thousands to 'Phantom Billing'

Seniors relying on Medicare to pay for their health care are being targeted by a widespread "phantom billing" scam that has the potential to rob them of thousands of dollars.

Phantom billing occurs when fraudulent charges are filed to Medicare by health care providers/doctors and medical equipment companies without the recipient's knowledge. Some seniors targeted reported being billed for urinary catheters they never asked for.

While fraud can be orchestrated by health care providers, doctors and medical equipment companies, all can have substantial impact on the Medicare system and beneficiaries' financial situations.

One Medicare beneficiary, Indianapolis resident Ann Midkiff, noticed more than \$3,000 in urinary catheters billed to her Medicare account without any explanation. Another recipient, Nancy Moore, saw a similar charge for something she never ordered, according to local station WRTV.

This fraud contributes to millions of dollars lost, and premiums could end up skyrocketing as a result. The Indiana Senior Medicare Patrol said it has received a significant number of complaints about billing fraud in recent months, but it's likely the scam charges are taking place all over the country.

The National Association of Accountable Care Organizations and the Institute for Accountable Care saw Medicare payments for catheters, for instance, soar from \$153 million in 2021 to \$2.1 billion in 2023, reflecting the potential widespread phantom billing.

While only 40,000 patients in 2021 saw charges for catheters on their Medicare payments in 2021, just two years later, that number had soared to more than 450,000.

The Federal Trade Commission said fraud and errors end up costing Medicare roughly \$60 billion each year that is then passed on to taxpayers.

Senator Mike Braun, an Indiana Republican, previously requested an audit by the General Accounting Office and also introduced the Medicare Transaction Fraud Prevention Act, which would improve the government's watch of medical equipment purchases under Medicare.

Experts advise beneficiaries to check their monthly statements and report any unauthorized charges immediately. To report suspicious charges, call 1-800-MEDICARE (1-800-633-4227) and speak to an agent.

"CMS [the Centers for Medicare and Medicaid Services] does not confirm or discuss the existence of any ongoing investigation to ensure we do not compromise the integrity of the investigative process," a CMS spokesperson told WRTV. "However, that does not mean actions are not being taken behind the scenes."

Keith Jarvis, a senior security researcher at Secureworks, said the best way to combat this type of fraud is to be proactive.

"Just as you periodically monitor your credit card statements and credit reports for unauthorized charges, you should be monitoring your Medicare usage," Jarvis told *Newsweek*.

"Medicare recipients can log in to the online Medicare portal to review claims or review explanation of benefits reports sent by Medicare. Any charges submitted by unfamiliar medical providers or for unrecognized services should be investigated by the insured."