

Dear SMP:

My family member is in an assisted living facility (ALF). She is fairly independent, healthy for her age, and mobile but does need some assistance with housekeeping and meals. She lives in an apartment by herself and her needs at present are strictly custodial.

The social worker has told us that the ALF provides for needed daily custodial care to assure a safe environment; and Medicare covers any home health services such as skilled nursing care and rehabilitation therapy that may be needed. I have noted charges to Medicare for services she says she never received and for therapy services that she truthfully does not need. What do I need to know about Medicare fraud, as I am concerned that Medicare is being billed for services that may have been unnecessary, given her stable medical conditions, cognitive functioning, and her mobility?



Annie

Dear Annie,

Medicare fraud in assisted living facilities (ALFs) and long-term custodial or memory care facilities involves dishonest practices by providers, costing the US government roughly **\$60 billion each year**. These schemes range from billing for services not provided to illegal kickbacks, often targeting vulnerable, elderly residents. As of late 2024, hundreds of cases were open against assisted living communities regarding resident abuse, neglect, and fraud.

An ALF is primarily designed for an individual who is basically mobile and needs limited assistance but cannot continue in their home alone. Assistance with daily activities such as dressing, medications, meals, and housekeeping, as well as support from having staff available in an emergency, but without full custodial services. While an ALF is different than a long-term care (LTC) facility, there are similarities between them in terms of Medicare fraud, errors, and abuse. Examples of the types of fraud that can occur with ALFs or LTCs include:

- Billing Medicare for skilled services that are unnecessary given the individuals independence and stable medical condition.
- Therapy services or visits that were billed to Medicare but were not provided or billing for more therapy than what was actually provided.



- Billing Medicare for more expensive services than those actually provided to inflate cost and increase their payment from Medicare. A practice also known as up-coding.
- Offering or receiving financial incentives (bribes) for the referral of patients.

Families should review their loved ones Medicare Summary Notices (MSNs) or Explanation of Benefits (EOBs) for charges they do not recognize such as services or equipment never received. They should also be concerned about a sudden increase in the frequency of tests or therapies that do not align with the patient's medical condition and unsolicited calls or visits from individuals from the facility offering services in exchange for a Medicare number.

As the guardian of a beneficiary's well-being, families, friends and visitors who notice issues about the quality of care, or hear others complain of a lack of staff, or unnecessary treatments, should inquire to establish if fraud, errors, or abuse has occurred. If you suspect Medicare fraud or scams, you should call SMP for help at 877-272-8720 or you can visit www.stopmedicarefraud.org for more information. If you need help finding your local Senior Medicare Patrol program, please visit <https://smpresource.org/>.

Lynn Rosenblatt, RN (retired) & SMP Volunteer



Do you have a Medicare fraud or scam question for SMP?
If so, please email ASK SMP to smp@advisewell.org



Senior Medicare Patrols (SMPs) are grant funded projects of the US Department of Health & Human Services and the Administration for Community Living (ACL). Every state has an SMP program. In Georgia, Louisiana, Mississippi, and Vermont, SMP is sponsored by AdviseWell, Inc.

Our mission is to empower and assist Medicare beneficiaries, their families, and caregivers to prevent, detect, and report health care fraud, errors, and abuse through outreach, counseling, and education.

Webinar Wednesdays w/ SMP:

March 25th 10:30CT/11:30ET - Protecting MY Medicare from Scammers

April 29th 10:30CT/11:30ET - Don't get Swabbed by Scammers

Click on links above to register.

