



# SMP CONNECT

## VERMONT SENIOR MEDICARE PATROL

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### ***FROM FLORIDA TO VERMONT, SENIOR CITIZENS TEAM UP AGAINST MEDICARE FRAUD***

Medicare was created in 1965. Over the last sixty years, it has played a vital role in the health of seniors and people with disabilities. But because it is such a massive and complex system, it can be confusing to beneficiaries—making it an attractive target for scammers. As Medicare has evolved, so have the tactics used to exploit it. Over the years, scammers have developed new methods and taken advantage of emerging technologies.

In the early days, most fraud involved overbilling, unnecessary procedures, and kickbacks. Over time, scammers became more sophisticated, and more devastating schemes emerged, including fake clinics and identity theft.

One of the earliest major cases of Medicare fraud involved Miguel G. Recarey Jr., CEO of International Medical Center in Florida. In 1985, he was charged with bribing officials, illegal wiretapping, and mismanaging \$781 million in Medicare funds.

In 1995, twelve defendants—including the operator of Florida Medical and Diagnostic, Inc.—were convicted in a scheme to defraud Medicare of \$3 million. Their operation involved paying kickbacks to people who recruited senior citizens and individuals facing financial hardship to visit their clinic. They earned even more money when they managed to sell durable medical equipment (DME) to these patients.

Both of these cases took place in Florida. Along with Texas,

## SENIOR CITIZENS TEAM UP, *continued*

California, and Michigan, Florida experiences more Medicare fraud than most states. Vermont, by contrast, is on the opposite end of the spectrum. It's a small state with a large senior population, but historically we haven't seen the same level of fraud. Still, we must remain alert and vigilant. Technology has given scammers a much wider reach, and state lines do not protect us.

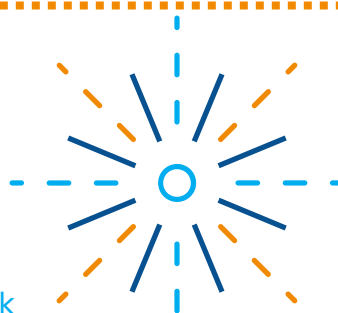
Consider this recent case: A woman in Florida owned a DME company called Merida Medical Supplies Inc. After obtaining the identities of people across the country, she fraudulently billed Medicare for wrist, knee, and back braces that were never requested or received by beneficiaries. She obtained roughly \$2.8 million from Medicare over a period of five years. Though she operated out of Florida, many of her victims lived in Vermont.

Vermonters have very little patience for scams. They complained, filed reports, and provided documentation of fraudulent claims. Their persistence helped uncover the scope of the fraud. On January 20, 2026, Evelyn Herrera pleaded guilty in a Vermont district court.

Scammers may use new technology—but that is both a strength and a weakness. The average Medicare beneficiary now has access to technology as well, and is becoming more skilled at using it. The internet has made it easier to learn about scams and report them. By exposing and helping prosecute this woman, Vermonters were able to protect themselves and others.

Communication is vital. Seniors can work together—across state lines—to keep these fraudsters at bay.

by Justin Grimbol, SMP Community Outreach Specialist



*Let's Celebrate!*

Medicare Fraud Prevention Week

Join **Senior Medicare Patrol** in the fight against Medicare fraud, waste, and abuse!

Celebrate with us **June 1st - June 5th** by attending presentations and participating in other activities in your area, and join us for virtual bingo on Friday, June 5th. Click [here](#) to register. You can also scan the QR code to learn more about our activities for the week.



### Webinar Wednesdays w/ SMP

**May 20<sup>th</sup> 10:30CT/11:30ET - Protecting Your Loved Ones from Scams**

**June 24<sup>th</sup> 10:30CT/11:30ET - Answer the Call: SMP Needs You!**

**July 29<sup>th</sup> 10:30CT/11:30ET - Did my doctor order this? DME Scams**

Click on links above to register.



877-272-8720

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**Dear SMP:**

I have seen many articles in the news about Medicare and Medicaid fraud but how likely is that to affect me. I am a 72 year old retired school teacher who lives in the New York area 8 months out of the year and in Florida in the winter. Most of my physicians are in my home state but I do see a doctor in Florida for my prescriptions. Several of my winter neighbors have told me that when they returned home last year there were charges on their Medicare that they could not associate with any services they had received when at their condo community. Is it realistic to think that I might actually become a victim of Medicare fraud?



Doris

Dear Doris,

According to the Centers for Medicare & Medicaid Services (CMS), Medicare fraud and improper payments cost an estimated \$54.3 billion to over \$60 billion annually with improper payment rates in Original Medicare Fee-for-Service (Part A & B) reaching 6.55% or \$28.83 billion, compared to the FY 2024 reported rate of 7.66%, or \$31.70 billion. Major schemes involve telemedicine, genetic testing, and durable medical equipment, often leading to billion-dollar take downs by the Medicare Fraud Strike Force.

Medicare Advantage (Part C) was created to expand choice and improve care within Medicare. However, ongoing concerns about payment accuracy persist, with some analyses estimating that Medicare Advantage plans receive about 6% more in payments than traditional Medicare - roughly \$23.67 billion annually - though estimates vary depending on the source and methodology. Medicare Drug Coverage (Part D) is another funded product through insurance companies and generates 4.00% or \$4.23 billion. Both Part C and Part D plans have experienced increased fraudulent payments in 2025 over 2024 statistics. Whereas the FY 2025 estimate for Part A/B marks the ninth consecutive year this figure has been below 10%.

Recent trends have found that genetic testing with 35 individuals charged in schemes involving over \$2.1 billion in losses, telemedicine and equipment with 24 individuals charged in cases involving over \$1.2 billion in fraudulent billings and opioid schemes, and over \$160 million in fraudulent claims linked to illegal distribution. The Medicare Fraud Strike Force has charged over 4,000 defendants in fraudulent schemes totaling billions of dollars. The average prison sentence for healthcare fraud is 27 months, with 74.7% of convicted individuals receiving prison time.

Improper payments are not exclusively fraud and may include payments that did not meet billing requirements, lacked documentation, or were made to ineligible beneficiaries. Fraud is intentionally billing for services not rendered or not medically necessary. These include billing for unnecessary genetic tests or durable medical equipment (DME); upcoding or billing for a more expensive service than provided; and telemedicine companies paying for prescriptions without patient contact.

Where you live and the physicians you use are also significant factors. Medicare and Medicaid fraud rates are significantly higher in certain states, often referred to as a "fraud belt" along the sun belt, including Florida, California, and Texas, and with New York, and New Jersey, which together account for 44% of flagged providers. Fraud often follows high elderly populations, with many cases centered in Florida and Southern California. Studies have shown that physicians with dishonest billing practices concentrate on communities where beneficiaries live "part-time" and use physicians out-of-state on a more consistent basis. This pattern makes billing fraud more difficult to tract as the winter address the beneficiary gives at the time of service is not the one registered with Medicare.

Yes, it is realistic to think that you might actually become a victim of Medicare fraud. As a "snow-bird" you are a target. To assure you don't, be watchful. Register with [Medicare.gov](https://www.medicare.gov) and check your Medicare statements frequently especially if you are being seen by physicians outside your usual network. For Medicare Advantage Plans, you must use network providers for a claim to be paid and you should notify your plan in your hometown when you plan to reside elsewhere for any extended period. Be wary of deliveries of DME to your winter address as that may be a fraudulent scheme.

The Senior Medicare Patrol (SMP) is active in many localities and can assist with resolving your concerns. To avoid becoming a victim of fraud or if you think you've been a victim, you should follow Senior Medicare Patrols message which is to **Prevent, Detect and Report!** It is very important that you know what is going on with your Medicare benefits. You should carefully review your Medicare Summary Notice (MSN) for Original Medicare or Explanation of Benefits (EOB) for Medicare Advantage Plans. Any services that you did not receive or were not provided by your healthcare provider may be an error or a fraudulent billing. If you suspect that to be the case then contact your local SMP by clicking [here](#) for assistance in clarifying the claim. In Georgia, Louisiana, Mississippi, and Vermont click [here](#).

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](mailto:smp@advisewell.org)



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