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Program Integrity eNews

Volume 16

January 2016

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What is Medicaid?

Medicaid is a state-administered program established by Title Nineteen of the Social Security Act and funded by federal, state, and county funds. It provides medical assistance to qualifying low-income individuals and families.



Medicaid is overseen by the United States Department of Health and Human Services and administered in North Carolina by the North Carolina Department of Human Services, Division of Medical Assistance.

Why Report Medicaid Fraud and Abuse?

When Medicaid funds are lost or stolen through fraud, that money is no longer available to help deserving patients. Medicaid fraud cheats both recipients and taxpayers, but criminal convictions can deter fraud and abuse. Civil suits can also help recover money that can be returned to the Medicaid program to help patients.

Who Do I Report?

- Report the Medicaid providers whom you suspect have committed fraud or abuse.
- A Medicaid provider includes any individual, corporation, or other entity paid by Medicaid for providing a health care service. It also includes their officers and employees.

North Carolina Woman Sentenced for Medicaid Fraud

“ On June 11, 2015, in Greensboro, North Carolina, Tracie Yvette Clay was sentenced to 70 months in prison, three years of supervised release and ordered to pay \$990,099 in restitution to the North Carolina Medicaid program. Clay pleaded guilty Sept. 2, 2014 to health care fraud in connection with a scheme to defraud the North Carolina State Medicaid program through the fraudulent provision of behavioral health services.

Clay submitted billings for Medicaid payments to the North Carolina Division of Medical Assistance. Clay also submitted claims for mental health treatment using “clients” who never received services from NC Behavioral and were unaware that someone was using their Medicaid identification numbers. The claims were submitted using the individual provider number of a doctor and indicated that the doctor had supervised the delivery of these services, causing a loss of approximately \$1,251. In fact, the doctor did not provide or supervise the services.

From March 10, 2011, to about March 7, 2012, Clay submitted claims to the Medicaid program for allegedly providing mental health assessments and therapy to a client. The client did not know Clay or NC Behavioral. Clay was paid approximately \$3,222 by the Medicaid program in connection with these false claims.

On April 6, 2012, Clay wrote a check for \$70,595 for the purchase of a 2011 Cadillac Escalade. The check was drawn on the NC Behavioral Health and Counseling Services bank account. From July 2011 until July 2012, that same bank account received approximately \$1,090,918 in electronic payments from the Medicaid program. A financial analysis of the bank account revealed that approximately \$907,992 of the account funds was used for personal and not business purposes.”

Tips to Remember:

- **Protect your Medicaid number. Do not give it out, except to your doctor or other behavioral health care provider.**
- **Never give your Medicaid number in exchange for a special offer, money, or gifts.**
- **Never let someone use your Medicaid card.**
- **Never use another person’s card.**
- **If you are presented with information that could be potential Fraud, Waste, or Abuse- REPORT IT!**

Helpful Resources

Eastpointe – Program Integrity Referral	www.eastpointe.net
Office of Inspector General-Exclusion	http://exclusions.oig.hhs.gov
NC Division of Medical Assistance	http://www.ncdhhs.gov/dma/fraud/index.htm
National Conference of State Legislatures	http://www.ncsl.org/research/health/medicaid-fraud-and-abuse.aspx
North Carolina Substance Abuse Professional Practice Board	http://www.ncsappb.org/
North Carolina Board of Licensed Professional Counselor	http://www.ncblpc.org/
North Carolina Social Work Certification and Licensure Board	www.ncswboard.org/
DMA Clinical Coverage Policies	http://www.ncdhhs.gov/dma/mp/
NC Department of Justice	
http://www.ncdoj.gov/getdoc/2afb32e0-9831-41b7-8d53-99c9216c76a7/Reporting-Medicaid-Fraud-and-Abuse.aspx	