



To: All IEHP IPAs & Providers
From: IEHP – Provider Relations
Date: October 6, 2022
Subject: **Special Fraud Alert: Exercise Caution with Purported Telemedicine Companies**

The Office of Inspector General (OIG) has uncovered fraud schemes involving companies that pretend to provide telehealth, telemedicine, or telemarketing services (collectively, Telemedicine Companies) who are taking advantage of the growing use and acceptance of telehealth services.

These actions have been linked to fraud among Providers who have received kickbacks to generate orders and prescriptions for medically unnecessary services, supplies, testing, and drugs, resulting in fraudulent claims to Medicare, Medicaid and other Federal health care programs.

While the schemes vary, the common element is the recruiting of Providers who receive payment to submit orders/prescriptions for Members with whom they have little to no medical relationship and without the viewing of medical records. These Provider-generated orders are sold to entities who fraudulently bill for unnecessary items and services.

Under NO circumstances can a Provider receive payment for submission of ANY (necessary or unnecessary) referrals or orders for Members, whether they be under their direct care or not.

OIG encourages Providers to use caution when contracting with Telemedicine Companies that exhibit one or more of the following suspicious behaviors:

- The Purported Members for whom the Provider orders or prescribes items or services were identified or recruited by the Telemedicine Company, telemarketing company, sales agent, recruiter, call center, health fair and/or through internet, TV, or social medical advertising for free or low out-of-pocket cost items or services.
- The Provider is not given direct contact with nor information from the supposed Member to accurately determine medical necessity of the requested items/services/prescriptions.
- The Telemedicine Company compensates the Provider based on the volume of items or services ordered or prescribed which may be justified to the Provider as payment based on the number of medical records reviewed.
- The Telemedicine Company ONLY furnishes items and services to Federal health care program beneficiaries.

- The Telemedicine Company claims to only furnish items/services to individuals who are NOT Federal health care program beneficiaries but may in fact bill Federal health care programs.
- The Telemedicine Company only furnishes one product or a single class of products (DME, genetic testing, diabetic supplies, prescription creams), restricting the Provider's treating options.
- The Telemedicine Company does not expect Providers to follow up with purported patients nor does it give them contact information to try and follow up, even with test results.
 - ★ While many Providers have entered legitimate contracts with Telemedicine companies, please use caution as violators may face criminal, civil or administrative liabilities depending on the facts and circumstances.

For more information on this issue, please visit the OIG website:

<https://oig.hhs.gov/documents/root/1045/sfa-telefraud.pdf>

If you have information about Providers, Telemedicine Companies or other individuals or entities engaging in any of the above activities, please contact the OIG Hotline at 1-800-447-8477 or visit the website:

<https://oig.hhs.gov/fraud/report-fraud/>

If you have questions, please reach out to your Provider Service Representative or the IEHP Provider Relations Team at (909) 890-2054, (866) 223-4347 or email ProviderServices@iehp.org

As a reminder, all communications sent by IEHP can also be found on our Provider Portal at: www.iehp.org > Providers > Plan Updates > Correspondences