

Bulletin Number: MSA 08-51

Distribution: Pharmacies, Nursing Facilities, and Practitioners (Physicians, Advanced Practice Nurses, Medical Clinics, Oral Surgeons, Podiatrists, FQHCs/RHCs/THCs)

Issued: October 15, 2008

Subject: Advertisement of Discounting/Waiving Co-pays for Promotional Purposes, Offering and/or Receiving Incentives in Association of Providing Goods and Services

Effective: Upon Receipt

Programs Affected: Medicaid, Maternity Outpatient Medical Services (MOMS), Adult Benefits Waiver, Children's Special Health Care Services, and Plan First!

The purpose of this bulletin is to reaffirm the Michigan Department of Community Health's (MDCH) position on the advertisement of discounting/waiving of beneficiaries' co-pay amount(s) for promotional purposes, and soliciting, offering or receiving incentives in association with the providing goods and services.

Discounting a beneficiary's co-pay amount(s) for promotional purposes by pharmacy providers violates policy for Medicaid/MDCH Programs. It has been brought to MDCH's attention that some pharmacy providers are offering (verbally and/or written) to discount/waive the beneficiary's co-pay amount(s) in the retail and long-term care settings. Some pharmacy providers have been offering discounts on co-pays, fax machines, computers, gift cards, store discounts and other free items or discounting/waiving the costs of medication orders if an entity uses their services. Any entity that makes or accepts such offers in writing or verbally:

- May violate the Medicaid False Claim Act and Medicaid/ MDCH policy, which may result in disenrollment from the Medicaid/MDCH Programs.
- May violate the Michigan Public Health Code's prohibition against unethical business practices by a licensed health professional, and that as such may subject a licensee's license to investigation and possible disciplinary action.

Reporting Suspected Fraud and Abuse

Providers can report suspected fraud and abuse by:

Contacting the MDCH/Program Investigation Section by calling toll-free 1-866-428-0005 or in writing to:

MDCH/Program Investigation Section
P.O. Box 30479
Lansing, MI 48909

Or

Completing an online complaint form at www.michigan.gov/mdch >> Inside Community Health >> Fraud and Abuse

Or

Contacting the Health Care Fraud Unit by calling toll-free at 1-800-242-2873, fax number 517-241-6515, e-mail at HCF@AG.michigan.gov or in writing to:

Health Care Fraud Division
Department of the Attorney General
Medicaid Fraud Control Unit
P.O. Box 30218
Lansing, MI 48909

Manual Maintenance

This bulletin may be discarded after review.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved



Paul Reinhart, Director
Medical Services Administration