



# Genetic Testing Fraud

## Tips for Protecting Yourself and Medicare

Genetic testing scams are currently a widespread issue throughout the country. Scammers are offering Medicare beneficiaries cheek swabs for genetic testing to obtain their Medicare information for identity theft or fraudulent billing purposes.

### What is Genetic Testing Fraud?

Genetic testing fraud occurs when Medicare is billed for a test or screening that was not medically necessary and/or was not ordered by a beneficiary's treating physician.

### What are Examples of Genetic Testing Fraud?

- A company offering you "free" testing without a treating physician's order and then billing Medicare. These tests go by many names and claim to test for many things. Here are some examples of ways you may see this advertised:
  - ◇ Cancer screening / test
  - ◇ DNA screening / test
  - ◇ Hereditary cancer screening / test
  - ◇ Dementia screening / test
  - ◇ Parkinson's screening / test
  - ◇ Pharmacogenomics – medication metabolism
- A company providing a test or screening that you never requested or that you do not need
- A company billing Medicare for screening services that are not covered by Medicare or for screenings that do not apply to you
- A company requesting your Medicare number at a community event, a local fair, a farmer's market, a parking lot, or any other event

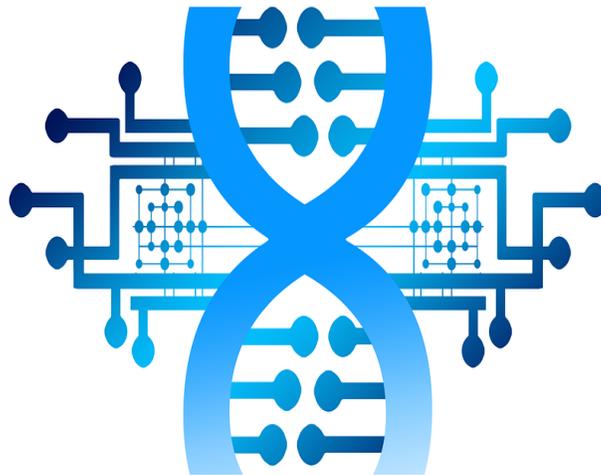


### What Happens if Medicare Denies the Genetic Test Claims?

- You could be responsible for the entire cost of the test! The average is \$9,000-\$11,000.

## What Can You Do to Stop Genetic Testing Fraud?

- Be sure your doctor has assessed your condition. Although Medicare covers many genetic tests for diagnostic use, it only covers one preventative genetic test to screen for cancer.
- Do not give out your personal information or accept screening services from someone at a community event, a local fair, a farmer's market, a parking lot, or any other event.
- Always read your Medicare Summary Notice (MSN) or Explanation of Benefits (EOB). The words "gene analysis," "molecular pathology," or "laboratory" may indicate questionable genetic testing has occurred.
- If you received a cheek swab or a screening that was not medically necessary, report your concerns about billing errors or possible fraud and abuse to your local SMP.



## How Your Senior Medicare Patrol (SMP) Can Help

Your local SMP is ready to provide you with the information you need to **PROTECT** yourself from Medicare fraud, errors, and abuse; **DETECT** potential fraud, errors, and abuse; and **REPORT** your concerns. SMPs and their trained volunteers help educate and empower Medicare beneficiaries in the fight against health care fraud. Your SMP can help you with your questions, concerns, or complaints about potential fraud and abuse issues. It also can provide information and educational presentations.

To locate your state Senior Medicare Patrol (SMP):  
Visit [www.smpresource.org](http://www.smpresource.org) or call 1-877-808-2468.

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U.S. Department of Health and Human Services (DHHS).

## When are Genetic Tests Covered?

- When someone has stage III or IV cancer
- When the test is medically reasonable and necessary
  - ✓ Federal regulations define medical necessity as *“services or items reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member.”*
- When it is ordered by a treating physician
  - ✓ Federal regulations define a treating physician as *“the physician who furnishes a consultation or treats a beneficiary for a specific medical problem and who uses the results in the management of the beneficiary’s specific medical problem. Tests not ordered by the physician who is treating the beneficiary are not reasonable and necessary.”*
- When one or more coverage requirements are met for colorectal cancer genetic screening
  - ✓ There is no other Medicare coverage for genetic testing as a screening service.
- When a treating physician orders the test as a diagnostic service and uses the results to manage the patient’s condition

### Example Charges for One Cheek Swab

Service	Billing Code	Amount Charged	Amount Paid by Medicare
Gene analysis	81201	\$936.00	\$764.40
Gene analysis	81255	\$582.72	\$285.53
Gene analysis	81259	\$720.00	\$588.00
Gene analysis	81292	\$694.98	\$661.89
Gene analysis	81317	\$848.42	\$692.88
Gene analysis	81325	\$2,308.74	\$754.19
Molecular pathology	81407	\$870.81	\$829.34
Molecular pathology	81408	\$4,116.00	\$3,920.00
<b>Totals</b>		<b>\$11,077.67</b>	<b>\$8,496.23</b>



### How are Fraudsters Benefiting from Genetic Testing Fraud?

See the chart for why this is becoming more prevalent.

**These services are not free.**

Each cheek swab could potentially make the company thousands of dollars by billing Medicare and/or you for services that were not needed.