

Pentagon warns of Tricare mail scam

By Patricia Kime, Staff writer 8:54 a.m. EDT September 3, 2015

The Defense Health Agency is warning Tricare beneficiaries of an elaborate mail scam designed to steal money from their banks.

According to the DHA Office of Program Integrity, some Tricare beneficiaries received letters from a bogus company called Tricare Survey Inc., offering them the chance to work as "secret shoppers."

The mailings instruct recipients to cash enclosed checks for \$3,775 at their banks, keep a percentage of the money for themselves and use the rest to buy six \$500 shopping cards to be used at retailers for "secret shopping" excursions.

But when recipients report the card numbers to the company, as instructed in the letters, the fraudsters use the numbers to transfer the amount to their own accounts.

In the alert, issued by the Defense Department on Sunday, Tricare officials "strongly advised" beneficiaries not to participate in the scheme, saying they may be held accountable by their banks for the money.

"Tricare will identify the checks as counterfeit ... and return them to the bank in which they were drawn from as non-cashable. Potential exists for the beneficiary to be personally liable for the entire \$3775.00," the notification stated.

Companies and individuals target military personnel and families with scams with such frequency that in 2012, federal and state law enforcement agencies created a database of offenders, called the Repeat Offenders Against Military database.

Earlier this year, for example, Tricare beneficiaries were lured by compounding pharmacies and marketers to fill prescriptions for pain creams, ointments and other topical medicines they didn't necessarily need, costing the government nearly \$1 billion.

The FBI, Defense Criminal Investigative Service and Justice Department are investigating some of the companies and individuals involved, according to government officials, and recouping some of Tricare's losses.

In July, the Justice Department settled allegations of improper prescriptions with Blanding Health Mart Pharmacy of Jacksonville, Florida, for \$8.4 million.

And in June, the government settled for \$3.78 million with MediMix, a compounding pharmacy company also based in Jacksonville, Florida, on allegations that its top referring physician sent hundreds of improper prescriptions to the company. The doctor was married to a MediMix senior vice president.

The Defense Department changed its reimbursement policy for compounded medications on May 1, effectively shutting down the opportunity for companies to be reimbursed for questionable prescriptions.

But DoD's Defense Criminal Investigative Service continues to investigate some pharmacies and marketing companies as well as other cases of health care fraud involving Tricare, according to DoD Inspector General spokeswoman Bridget Serchak.

Serchak said the sheer size of the defense health program budget makes it an attractive target and Tricare beneficiaries can do their part in preventing scams.

"This isn't a victimless crime," she said. "The more [the government] pays out for fraudulent claims, the harder it is to keep the costs down for legitimate Tricare benefits."

Defense health officials urge anyone who received a secret shopper letter to submit a report to the DHA Program Integrity Office. They can do so online on the office's web page by clicking the "Report Health Care Fraud" button.

SOURCE: Military Times Article at <http://www.militarytimes.com/story/military/benefits/health-care/2015/09/02/pentagon-warns-tricare-mail-scam/71592094/>