

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



Center for Program Integrity

Date: Jun 6, 2014

To: All Medicare Part D Plan Sponsors

From: Mark Majestic
Acting Director, Medicare Program Integrity Group

Re: Medicare Part D Fraud Alert: Billing for Services not Rendered

The Centers for Medicare & Medicaid Services (CMS) was notified by the Office of Investigations, Office of Inspector General of allegations that the operators of Royal Med, Corp were engaged in a scheme to defraud Medicare Part D. We are alerting you to this information so that you can take the appropriate actions regarding this pharmacy and the Part D prescription drug benefit you offer. These actions should be focused on the appropriate detection and identification of fraud, waste, and abuse as required under Part D.

The pharmacy is alleged to be engaged in a scheme to defraud healthcare programs. The subject's NPI number and location is listed below:

Pharmacy	Address	NPI Number
Royal Med, Corp	9961 SW 142 nd Avenue, Miami, FL 33186	1023308905

Scheme: It is believed that the operators of Royal Med, Corp submitted fraudulent claims for payment to the Medicare prescription drug plan sponsors, through their Pharmacy Benefit Managers (PBMs) from June 2011 through March 2014. Invoices received from wholesale drug companies which Royal Med, Corp obtained their prescription medications were compared to PDE records submitted. The results showed that Royal Med, Corp did not purchase enough drugs to support the amount paid by the Medicare Plan Sponsors.

If you identify egregious billings from Royal Med, Corp for prescription drugs, please contact Health Integrity, CMS' National Benefit Integrity Medicare Drug Integrity Contractor (NBI MEDIC) or CMS. Any questions you may have on this subject should be directed to your CMS Account Manager and Martina Gilly of the National Benefit Integrity MEDIC at gillym@healthintegrity.org. The MEDIC may also be reached at 1-877-7SAFERX (1-877-772-3379).