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PERSpectives FOR RETIREES

Public Employee Retirement System of Idaho

Third Quarter 2018

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AVOIDING COUNTERFEIT PRESCRIPTION DRUGS, HEALTH CARE AND HEALTH INSURANCE SCAMS

COUNTERFEIT PRESCRIPTION DRUGS

For many, the cost of buying needed prescription drugs can be an enormous burden. Online pharmacies can look appealing to save money on necessary medication and for convenience.

Many online pharmacies operate legally and may offer huge savings to senior citizens. However, the U.S. Food and Drug Administration warns there are several fraudulent businesses out there wanting your money and they may end up harming you.

These online pharmacies claim to sell prescription drugs at considerable discounted prices, and they may not even require a prescription. Frequently they will display a Canadian flag to look like a legitimate storefront, but often times they are working out of other countries with no connection to the U.S. or Canada.

The counterfeit prescription medication may contain the wrong ingredients or no active ingredients at all and/or be contaminated. Some drugs may have the right active ingredient but with the completely wrong dosage.



TIPS FOR AVOIDING COUNTERFEIT PRESCRIPTION MEDICATIONS

- ▶ Do not buy from pharmacies that do not require a valid prescription.
- ▶ Do not buy if the pharmacy does not have a U.S. state-licensed pharmacist available to answer questions and concerns.
- ▶ Check to see if the pharmacy is licensed. Go to <https://www.fda.gov/ForConsumers/default.htm> for additional information and resources for buying prescription medication online.
- ▶ Be wary of businesses not using a legitimate street address in the U.S. Check the address and make certain it does not belong to a package facility or re-shipping store.

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- Seek advice from your physician or a pharmacist if your prescription drug looks suspicious.
- Notify your physician immediately if your medication causes negative side effects or if your condition does not improve.
- Be aware that special cost reductions, product promotions and other “special deals” may be connected with counterfeit drugs.

HEALTH CARE AND HEALTH INSURANCE SCAMS

Whether you are retired and on Medicare, or still employed and too young for Medicare, health care and health insurance scams continue to grow.

Health care and health insurance fraud works to cheat government or private health care programs usually involving individuals, health care providers, or companies. Schemes may include offering medical equipment, prescription medication, issuing counterfeit insurance cards, or in-home health care assistance.

The Federal Bureau of Investigation (FBI) actively works to identify con artists involved in health care and health insurance fraud. They have collaborated with local, state, and federal agencies along with national private insurance companies to help combat crooks. Below is a list of common schemes occurring around the nation.



MEDICAL EQUIPMENT FRAUD

Medical equipment manufacturers will offer “free” products to individuals then charge the insurer for products that weren’t needed, not delivered, or both.

“ROLLING LAB” SCHEMES

Scammers will go to retirement homes, shopping malls, or health clubs, administer phony or unnecessary tests and then bill Medicare or health insurance companies.

SERVICES NOT PERFORMED

Service providers will bill insurers for services never performed by changing bills or submitting fake ones for payment.

MEDICARE FRAUD

Medicare fraud can take place in any of the health insurance scams described above. Often senior citizens are the target of Medicare schemes. Medical equipment manufacturers will offer seniors free medical equipment and products in exchange for their Medicare card number(s).

Before Medicare will pay for equipment or testing for a patient, they require a signed form from the physician stating the necessity. Scammers will either forge a signature or even bribe corrupt physicians to sign the forms. The manufacturer will then bill Medicare for the unneeded or unordered equipment or testing.

TIPS FOR AVOIDING HEALTH CARE AND HEALTH INSURANCE FRAUD

- Never sign blank insurance claim forms.
- Never give blanket authorization to a medical provider to bill for services rendered.

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- Ask your medical providers what they will charge and what you will be expected to pay out-of-pocket.
- Carefully review your insurer's explanation of the benefits (EOB) statement. Call your provider and insurer if you have questions or concerns.
- Do not do business with door-to-door or telephone sales people who tell you they can provide free medical services or equipment.
- Only give your insurance/Medicare identification to those who have provided you with medical services.
- Keep accurate records of all health care appointments.
- Know if your physician ordered equipment for you.
- Do not open spam e-mail, internet advertisements, links in forums or social media, and questionable websites that promise health care related products or services that seem too good to be true; they likely are a scam.



HOW AND WHERE TO GET HELP

- If you have been victimized by an online scam, you can file an online report at the FBI's Internet Crime Complaint Center at www.ic3.gov or call your local FBI office.
- If you suspect health care or health insurance fraud, contact your health insurance company. Most companies have a toll free number to report fraudulent activity.
- You also can contact your local FBI office or the Office of Inspector General for the United States Department of Health and Human Services (OIG-HHS) at <https://oig.hhs.gov/fraud/report-fraud/>.
- For Medicare fraud, call and report at 1-800-HHS-TIPS (1-800-447-8477).
- To learn more about these scams and more, go to <https://www.fbi.gov/scams-and-safety>.

Source: www.fbi.gov

IMPORTANT TAX INFORMATION



There have been considerable changes made to tax laws this year. These changes may affect your withholdings and the taxes you owe when you file your 2018 income tax return. PERSI urges you to review your current tax withholdings to check if you have the correct amount of federal and state income tax withheld.

The IRS (<https://www.irs.gov/pub/irs-pdf/fw4.pdf>) and the Idaho State Tax Commission (tax.idaho.gov/W4) have issued withholding guidelines to help taxpayers.

If you determine that you need to make changes, go to *myPERSI* (<https://mypersi.idaho.gov/memberportal>) or submit an RS322 Federal and State Tax Withholding Selection form found on PERSI's website.

PERSI is not a tax authority, and we cannot provide tax advice. Please direct your questions about these changes to the IRS and the Idaho State Tax Commission. We also encourage members to seek tax advice from a qualified tax professional.



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SERVICE INTERRUPTION IN OCTOBER

The member portal, *myPERSI*, will be unavailable due to database maintenance and updates from Friday, October 26th at 6:00 p.m. MDT through Sunday, October 28th at midnight MDT. PERSI's website, www.persi.idaho.gov, will continue to be online and will not be affected by the upgrade.

If you have questions, please contact the PERSI Answer Center at 1-800-451-8228 or (208) 334-3365.

PERSI INVESTMENT NEWS

AS OF September 7, 2018

VALUE OF THE FUND

\$17,729,407,893

FISCAL YEAR CHANGE IN MARKET VALUE

\$275,979,101

FISCAL YEAR-TO-DATE RETURNS: 1.9%

MONTH-TO-DATE RETURNS: -1.1%

*Posted monthly at www.persi.idaho.gov
Fiscal Year July 1, 2018 - June 30, 2019

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