



RICK SCOTT  
GOVERNOR

ELIZABETH DUDEK  
SECRETARY

**FOR IMMEDIATE RELEASE**

August 30, 2013

**Contact:** AHCA Communications Office

[AHCACommunications@ahca.myflorida.com](mailto:AHCACommunications@ahca.myflorida.com), 850-412-3623

**Agency Audit Yields Questionable Billing and Attorney General Arrest for Florida Pharmacy**  
*-Findings reported include nearly \$600,000 in fraudulent Medicaid billing -*

**Tallahassee, Fla.**— As part of their duties, the Office of Medicaid Program Integrity (MPI), a sub-unit of the Office of the Inspector General within the Agency for Health Care Administration (Agency), regularly conducts audits of providers participating in Florida’s Medicaid program. One such audit, performed by the Pharmacy Case Management Unit, resulted in what could amount to a substantial savings for Florida Medicaid.

Initiated in November 2011, the audit of PCA Medical Supplies, Inc., d/b/a Patient’s Pharmacy Infusion or simply “Patient’s Pharmacy,” was handed over to the Medicaid Fraud Control Unit of the Attorney General’s office for criminal investigation in January 2012. The audit was conducted by a licensed pharmacist employed by MPI and began with a request from MPI for records from Patient’s Pharmacy to determine if invoices for drug purchases were sufficient to support the drug quantity paid for by Medicaid. The wholesalers supplying Patient’s Pharmacy were also contacted and they responded with complete sales data for a review period of one year. Current Florida law restricts pharmacy audits to a period of no more than one year, a hurdle that the Agency’s Office of Inspector General believes is an impediment to cost containment in the Medicaid program (See 465.188, F.S.).

When compared with the information provided by the wholesaler, many invoices submitted by Patient’s Pharmacy were not found in the wholesaler’s spreadsheets. A follow-on request produced copies of original documents that confirmed the invoices submitted by Patient’s Pharmacy did not match the actual sales records of the wholesaler. The submission of fraudulent invoices by Patient’s Pharmacy to Medicaid was an apparent effort by the provider to inflate the reported purchase of the reviewed drugs to conceal the lack of inventory, questionable billing and avoid the identification of Medicaid overpayments by the state.

After investigating the transaction history, the Agency made a referral to the Attorney General’s office alleging a criminal violation, and ceased any ongoing administrative action. The transition to the Attorney General’s Medicaid Fraud Control Unit resulted in the owner of Patient’s Pharmacy being arrested and charged with defrauding Medicaid of nearly \$600,000.

*The Agency for Health Care Administration is committed to better health care for all Floridians. The Agency administers Florida’s Medicaid program, licenses and regulates more than 45,000 health care facilities and 37 health maintenance organizations, and publishes health care data and statistics at [www.FloridaHealthFinder.gov](http://www.FloridaHealthFinder.gov). Additional information about Agency initiatives is available via Facebook (/AHCAFlorida), Twitter (@AHCA\_FL) and YouTube (/AHCAFlorida).*

###

