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Owners of Former Elizabeth Pharmacy Enter Settlement Agreement Requiring \$856,000 Payment

TRENTON – The owners of the now-closed Bob’s Pharmacy, formerly located in Elizabeth, reached an agreement with the Office of the State Comptroller, Medicaid Fraud Division (“MFD”), to repay Medicaid funds resulting from unsubstantiated claims.

MFD investigators conducted a pharmacy inventory analysis and found over 4,300 submitted Medicaid claims for pharmaceutical products totaling \$856,045 that could not be substantiated by wholesaler invoices. The MFD routinely conducts pharmacy inventory analyses as part of its work targeting waste, fraud and abuse in the Medicaid program.

Under the terms of the settlement, pharmacy owners Sandra Marques and Daniel Zaretsky have paid \$550,000 in restitution to the Medicaid program. The owners currently assert, however, that they are unable to pay the balance of \$306,045. As a result, MFD is pursuing the balance owed through available means, including a statewide lien.

“Every dollar matters in the Medicaid program and our Medicaid Fraud Division’s mission is to proactively go out and look for waste, fraud and abuse,” State Comptroller Philip James Degnan said. “Our office and others like it across the country are working to uphold the integrity of the Medicaid program and, as part of that, to seek restitution when providers cannot substantiate their receipt of Medicaid funds.”

MFD serves as the state’s independent watchdog for New Jersey’s various Medicaid programs and works to ensure that the state’s Medicaid dollars are being spent effectively and efficiently. As part of its oversight role, MFD audits and investigates health care providers, managed care organizations and Medicaid recipients to identify and recover improperly expended Medicaid funds and identify and redress quality of care issues affecting the health of Medicaid recipients.

Suspected Medicaid waste, fraud or abuse can be reported to the MFD by calling its toll-free hotline at (888)937-2835 or by submitting a complaint form located at the following address:
<http://www.state.nj.us/comptroller/divisions/medicaid/complaint.html>.

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