



State of New Jersey

CHRIS CHRISTIE
Governor

OFFICE OF THE STATE COMPTROLLER
MEDICAID FRAUD DIVISION
P.O. BOX 025
TRENTON, NJ 08625-0025
(609) 826-4700

PHILIP JAMES DEGNAN
State Comptroller

KIM GUADAGNO
Lt. Governor

JOSH LICHTBLAU
Director

For Immediate Release
April 28, 2016

Contact: Jeff Lamm
609-633-2377

Office of the State Comptroller Reaches \$827,000 Settlement with Paterson Pharmacy over Unsupported Medicaid Claims

TRENTON -- The Office of the State Comptroller (OSC), Medicaid Fraud Division, has reached an \$827,091 settlement with Main Fair Pharmacy ("Main Fair") of Paterson over thousands of claims submitted by Main Fair for which Main Fair was reimbursed with funds from the Medicaid program.

During an investigation covering the period from August 1, 2011 to October 31, 2014, the OSC determined that Main Fair had submitted more than 4,000 claims for reimbursement that were unsupported by corresponding wholesaler invoices for such billed medications. Providers, including pharmacies, are required by State law and regulation to retain such supporting documentation in order to be reimbursed by Medicaid program funds. Main Fair's failure to keep and maintain such records created the basis for OSC's recovery.

"Proper records management is critical to ensuring our Medicaid system operates properly," State Comptroller Philip James Degnan said. "Through our Medicaid Fraud Division, we are working to make certain providers comply with all applicable laws and regulations."

OSC, an independent State agency, serves the public by conducting audits and investigations of government agencies throughout New Jersey. The Office also reviews government contracts and works to detect and prevent Medicaid fraud, waste and abuse. The Office strives to enhance the efficiency and transparency of government and to ensure public funds are spent effectively and efficiently.

Suspected government mismanagement or fraud can be reported to the Office of the State Comptroller by calling 1-855-OSC-TIPS (1-855-672-8477) or via email at comptrollertips@osc.nj.gov . Suspected Medicaid fraud or abuse can be reported by calling 1-888-937-2835.

###