

August 2021

Dear Pharmacist

Alert: Syndicates are targeting pharmacies

We have identified a fraudulent syndicate that is targeting pharmacies by ordering external medical items or over-the-counter medicine in large quantities, probably for the purpose of reselling it in the informal market.

We write to you to alert you to the problem and want to ask your cooperation to assist us with the prevention of these crimes by following a valid and appropriate member verification process.

We recommend asking the member to confirm his/her identification by submitting:

- a digital Discovery membership card available on the Discovery app on smart phones, or
- an original identification documents with a membership card (not copies thereof).

Message on compromised claims

In an attempt to minimise the risk for pharmacies, we created the below alert message. You will only see it on your screens, while dispensing medicine on *compromised* policies:

1555: "Fraud Alert; Check member card and ID"

When you see the message on your screens, please ensure that you:

- only continue with dispensing the order if the person could provide you with a digital Discovery Health membership card or original membership card and identification document.
- contact us if you suspect any fraudulent activities in any way.

How to identify the potential fraudulent activities:

We detected the below patterns, used by the perpetrators:

- Purchasing large quantities of over-the-counter medicines claiming it is on behalf of ill or injured members,
- Placing orders telephonically,
- Providing *copies* of identity documents and membership cards instead of original documents,

- Relying on membership numbers and ID numbers written on prescriptions written on stolen prescription pads.
- Providing a copy of a membership certificate, without any other form of identity

Be vigilant

Please look out for suspicious individuals with medicine orders that meet this pattern. From our investigation, we can confirm that the affected medical scheme members are *not* complicit in this syndicate and do not work with the perpetrators. The perpetrators access medical scheme benefits fraudulently and without the authority or permission of the valid members.

We ask for your support and assistance in alerting us when you identify instances where suspicious requests are being made.

We monitor claims and perform audits

As scheme administrator, we have a responsibility to protect scheme funds. Therefore, we monitor claims data, and where required, we need to perform audits.

We keep stringent record of pharmacies that repeatedly submit claims without proper verification of the member's identity. Where justified, we will have no other option as to consider further appropriate actions.

How to contact us

Please email our forensics department at forensics@discovery.co.za or call our whistle-blower line on 0800 00 45 00.

Regards

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