

COVID-19 Vaccine Scams Emerge as Top Fraud Trend



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As the effects of the pandemic continue to unravel the fabric of life as we once knew it, the scammers continue their quest to earn a place in the hall of shame. While citizens follow the headlines for a glimmer of hope, the criminals follow the headlines to plot their next profitable scam. It didn't take a crystal ball to predict that COVID-19 vaccine fraud was on the horizon.

The Senior Medicare Patrol (SMP) and State Health Insurance Assistance Program (SHIP) were some of the first to track COVID-19 fraud trends based on incoming complaints. Along with information from public and private enforcement agencies, several distinct trends have begun to appear.

Head-of-the-line Vaccine Scams

Some Medicare beneficiaries would gladly pay top dollar to be placed at the head of the line to get the vaccine. The scammers

know this and began pushing vaccine prioritization scams before the first vaccine was even approved.

In December 2020, the U.S. Food and Drug Administration (FDA) issued the first emergency use authorization approvals for the Pfizer-BioNTech and Moderna vaccines. However, the first vaccine prioritization scam call was reported to the SMP the month before. In the complaint, an unidentified caller indicated that a beneficiary and his wife could get the vaccine early simply by providing their Medicare numbers. A variation of this scheme occurs when

scammers ask beneficiaries for payment and/or insurance information in order to be placed on a priority waiting list for a vaccine they may never receive.

Several media articles have highlighted concerning attempts by citizens to jump to the head of the line. One example of note

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Sounding the Alarm

From the beginning of the pandemic, program integrity partners have locked arms to hold the front line against opportunistic fraudsters. Public and private agencies from across the spectrum have sounded the alarm about a variety of fraud schemes, including predictive warnings about vaccine fraud schemes for fraud prevention purposes. The Senior Medicare Patrol National Resource Center has [published](#) important information regarding vaccine-related scams on its website. Multiple agencies posted a joint [press release](#) specifically warning about vaccine scams. The Centers for Medicare & Medicaid Services (CMS) provides information about [billing for COVID-19 vaccine](#) administration.

is this [news article](#) from *The Providence Journal* in January 2021. In this particular case in New Jersey, several hundred individuals who were not currently eligible to receive the vaccine conspired with others to cheat the system. They did so by convincing eligible individuals to share their confidential appointment registration links. Once discovered, the Health Department shut down the online registration site to assess the eligibility of everyone enrolled and canceled vaccinations for those who were not yet qualified.

In another concerning [incident](#), a state implemented a policy allowing a caregiver to receive a vaccine if they transported an eligible senior to a mass vaccination site. Scammers quickly took advantage of this well-intended policy by soliciting seniors, often online. They would sometimes offer

to provide transportation for a fee; other times they would offer money and free transportation to pose as a caregiver and receive a vaccine. All these scenarios pose a risk to the senior of identity theft or other harm.

Scheduled Vaccination Schemes

In scheduled vaccination schemes, scammers contact a beneficiary (usually by telephone or email) and state they are calling from Medicare or a local health department to schedule the beneficiary for vaccination. The identity thieves often use social engineering techniques, such as a confident and friendly voice with known personal information (such as address or date of birth), to convince the beneficiary they are not an imposter. Other scammers, especially when they suspect they are talking with someone with dementia, insist that the vaccine is required and they must schedule them for an appointment. Identity thieves also know that fraud prevention education efforts are working and individuals are wary about giving out any type of financial information. Thus, many identity thieves simply ask for an insurance or Medicare number, which seniors often give out without a second thought.

In a disturbing [incident](#) in Pennsylvania, a 211 phone line designated to assist seniors without internet access trying to schedule vaccination appointments was compromised by hackers. The line was illegally redirected to scammers, who requested personal and financial information.

Fake Vaccination Clinics

With tales of long lines and hours of waiting for a vaccine, many may be tempted to respond to a social media advertisement or a human billboard (someone twirling a “get your vaccination here” sign on the side of road) regarding COVID-19 vaccinations. Fake pop-up testing sites have continued to be a problem during the pandemic. There is concern that a similar situation may occur in the future with fake vaccination clinics. Of greater concern are scammers who target senior apartments and group homes to offer vaccines. Not only are these an opportunity for identity theft, but the vaccine also may be of questionable origin.

Vaccine Trial Scams

There are numerous clinical research trials in the race to develop additional COVID-19 vaccines, treatments, and cures. Legitimate clinical trials may offer payments to participants

under well-defined legal guidelines. However, career criminals know the offer of a paid clinical trial is also an opportunity for financial identity theft. Reports show individuals receiving unsolicited texts offering large payments for participation in clinical trials. If the individual responds, this is usually followed by a request for personal and bank account information so a partial payment can be immediately sent to the future trial participant. Unfortunately, the

trial is a scam, no money is sent, and the individual’s personal and financial identity is now compromised. Enforcement agencies are currently warning about unsolicited emails, calls, or personal contact requesting information to determine eligibility for vaccine research. The [Federal Trade Commission](#) issued a warning in October 2020 with helpful hints for individuals trying to research whether a trial is legitimate.

Vaccine Distribution

The Centers for Disease Control and Prevention (CDC) has a [webpage](#) giving vaccine rollout recommendations. Each state has its own plan for deciding who will be vaccinated first and how people can receive vaccines. Please contact your [local health department](#) for more information on COVID-19 vaccination in your area. You can find vaccines using the [VaccineFinder](#).

Add-on Services

A list of health care fraud schemes would not be complete without mentioning the problem of add-on services. Throughout the pandemic there have been examples of medically unnecessary or unrendered add-on services, including genetic tests, home health care, and durable medical equipment (DME). These often occur in conjunction with telehealth visits for COVID-19 tests. It's not a stretch that unethical providers may try to offer medically unnecessary add-on services when beneficiaries show up for a vaccination appointment or that they require a completely unnecessary COVID-19 test prior to every vaccination. It's also possible scammers will bill for services not rendered once they steal the medical identity of a beneficiary through a vaccination fraud scheme.

Enforcement Action

One would think that the investigation of vaccine-related scams was in its infancy due to the recent approval of vaccines.

On March 22, 2020, the U.S. Department of Justice (DOJ) announced that it had filed a temporary restraining order against a website for offering a fraudulent coronavirus vaccine. The website was offering individuals World Health Organization (WHO) vaccine kits in exchange for a \$4.95 shipping charge.

However, it actually started shortly after the pandemic began. On March 22, 2020, the U.S. Department of Justice (DOJ) [announced](#) that it had filed a temporary restraining order against a website for offering a fraudulent coronavirus vaccine. The website was offering individuals World Health Organization (WHO) vaccine kits in exchange for a \$4.95 shipping charge. The purported identity theft scheme required individuals to pay by entering their credit card information on the website.

In February 2021, DOJ [announced](#) that three men were facing federal charges for a scheme to sell purported COVID-19 vaccines. In January 2021, shortly after the December 2020 approval of the Pfizer-BioNTech and Moderna COVID-19 vaccines, investigative divisions of U.S. Immigration and Customs Enforcement (ICE) became aware of the fraudulent replication of a biotechnology company's website related to the Moderna vaccine. The fake domain website appeared visually similar, including logos, markings, and colors. However, the false website also included an offer to buy the vaccine ahead of time, with a contact link to the scammers. An undercover ICE agent set up a \$6,000 purchase for 200

doses, for which the scammers instructed the agent to send the payment to a specific credit union. The bank account was directly linked to one of the subjects, resulting in a search warrant and identification of additional co-conspirators.

Be on the Lookout: Emerging and Future Schemes

Fraud prevention analysts don't need to rely on sophisticated algorithms to predict what schemes are around the corner. Their predictions are often based on trends seen in similar types of health care fraud – such as scheme variations with diagnostic testing or DME scams. The following examples are schemes in their infancy but may quickly become a trend if the fraudsters have their way.

Vaccination Certification Fraud

Travelers are currently required to present a negative COVID test for travel to certain geographical areas. The international fraud industry quickly rose to the challenge by selling [false negative test](#) results for a fee. Employers took note of this trend and, understandably, became concerned about employees presenting a false negative test result in order to return to work. Admittedly, some creative employees presented [false positive tests](#) to get out of work, but that's another story. However, it's not a long leap from testing certification to vaccination certification fraud. While numerous articles have warned about the dangers of posting vaccination cards (that include personally identifiable information) on social media, other [news reports](#) are sounding the alarm about fake vaccination cards. These cards may include an official-looking false logo (such as the U.S. Centers for Disease Control and Prevention) and can go for as little as \$20 online. Vaccination certification fraud is a concerning trend that could have far-ranging public health implications during the pandemic.

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Vaccine Adulteration

Another scheme that could have negative consequences during a pandemic is the concern regarding vaccine adulteration. A vaccine can be adulterated when it is substituted with a different product or mixed with a substance that reduces its quality or strength. A variation of this scheme can occur when scammers claim to have a prevention/treatment product that will take the place of the

vaccine, especially appealing to those who do not wish to take the vaccine. COVID-19 prevention and treatment product schemes have been prevalent since the beginning of the pandemic.

Of great concern is a global [alert](#) by Interpol in December 2020 regarding the potential for organized crime networks to attempt to advertise, sell, and administer fake vaccines – including potential disruption of vaccine supply chains. In another [warning](#), the Healthcare Distribution Alliance, which is a national organization that represents primary pharmaceutical distributors, warns pharmacies to destroy empty vaccination vials due to reports of vaccines being sold on eBay and requests to purchase empty vials. Empty vials could easily be refilled with an adulterated substance, recapped, and sold as a legitimate-looking vaccine.

Vaccination Supplies Fraud

No one is safe from fraud, including the health care industry. As noted in numerous pandemic fraud cases, even large health systems and [state governments](#) can be victims of medical supply fraud – including masks and personal protective equipment that were promised but never delivered. Scammers offering the delivery of syringes, gloves, bandages, and other vaccination supplies may be an emerging trend.

The Light at the End of the Tunnel

It is often said that the light at the end of the tunnel is an oncoming train. While citizens hold out hope that the train will bring vaccines that bring relief from the pandemic, there is also the reality that opportunistic scammer artists from the fraud underworld have hitched a ride on the train. Be careful out there. 🚩