

Scamming Seniors? Wheelie?

**By Reg P. Wydeven
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Last week, I was watching reruns of 'Seinfeld.' One of my favorite episodes came on, the one where George walks with a cane after slipping on an invitation and hurting his leg. Thinking he is disabled, a playground equipment company hires him. They give him a private, handicap-accessible bathroom and even buy him a Rascal, a popular brand of motorized scooter.

As always, George's charade goes down in a blaze of glory. After he bumps into some old men's Rascals, a slow chase ensues. When his Rascal runs out of juice, George picks it up and flees on foot, only to be seen by his boss. To make matters worse, George is caught by the biker gang, beaten to a pulp and he loses his scooter.

If he would have shopped at The SCOOTER Store, however, he probably would have been able to get a new one.

Last week, the Texas-based company announced that it is closing its doors. The announcement came after the U.S. Centers for Medicare and Medicaid Services notified the chain, which sells wheelchairs and motorized scooters to people with limited mobility, that starting October 26, it would lose its federal contract for reimbursement of the sale of its products.

The SCOOTER Store filed for bankruptcy protection earlier this year and laid off 1,500 employees. In a statement, the company claims the federal decision "effectively eliminates" its ability to sell its assets in a Chapter 11 reorganization. As a result, it will phase out operations, furlough its remaining 370 employees and managers, and ultimately be liquidated.

The feds pulled the contract after an investigation into The SCOOTER Store's advertising and billing practices. As one of the leading companies in the industry, The SCOOTER Store sold thousands and thousands of scooters across the country. The problem is that the government believes the company sold them to many people who didn't need a scooter.

Investigators claim The SCOOTER Store's advertisements promised mobility-challenged Americans that they could reclaim their independence with a scooter. They also claim the ads convinced some seniors they needed a scooter when they really didn't.

Medicare will pay for scooters, but only when they are a medical necessity, meaning a person is unable to use a cane, walker or traditional wheelchair. Four former employees of The SCOOTER Store cooperated with investigators and asserted that the company's strategy was to badger doctors into writing prescriptions for scooters, whether the patients required them or not.

The Inspector General of the Department of Health and Human Services released a report that disclosed that 80% of Medicare payments for scooters are made in error. The most common error is scooters going to people who either don't need them or lack proof they need them. Since Medicare accounted for about 75% of The SCOOTER Store's revenue, government auditors determined the company overbilled Medicare by as much as \$108 million from 2009 to 2012.

Apparently, there are all kinds of Rascals at The SCOOTER Store.

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