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Contact: Scott Mulhauser/Erin Shields
(202) 224-4515

BAUCUS HAILS FRAUD PREVENTION CAMPAIGN TO PROTECT SENIORS

*Finance Chairman Championed Many New Tools to Fight Fraud,
Save Taxpayer Money as Part of Health Care Reform*

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today applauded a significant outreach campaign to prevent Medicare fraud announced by Health and Human Services (HHS) Secretary Kathleen Sebelius as well as senior officials from the Centers for Medicare and Medicaid Services (CMS) and the Administration on Aging. As eligible seniors who enter the Medicare prescription drug coverage gap begin to receive a tax-free, \$250 rebate check, the national education effort will provide seniors with information to protect themselves from scams and potential fraud related to the Medicare benefits. Chairman Baucus was a leader in creating the rebate checks for seniors as well as new tools to fight fraud, waste and abuse as part of landmark health care reform enacted into law earlier this year.

“Today’s announcement is a welcome step in our continued effort to fight health care fraud and protect seniors,” said Baucus. **“In health reform, we included new tools to fight fraud, cut waste and reduce inefficient spending to save billions of taxpayer dollars and protect the health care investments made by individuals, businesses and the government.”**

As part of health care reform, Congress enacted almost two dozen new tools to fight fraud, waste and abuse. Health care reform saves money and controls costs by reducing waste and inefficiency through:

- **New resources to fight fraud and abuse** - Health care reform includes more than \$250 million over the next decade in new funds to fight fraud. These dollars will increase funding for the Health Care Fraud and Abuse Control Program and the Medicaid and Medicare Integrity Programs, which will provide much-needed additional resources to fight fraud.
- **Effectively leveraging technology to monitor Medicare and Medicaid for evidence of fraud, waste and abuse** – Health care reform creates new data sharing arrangements to help agencies identify fraudulent providers and creates a comprehensive Medicare and Medicaid Provider/Supplier Data Bank to conduct oversight of suspicious patterns that may conceal fraudulent activity. Health care reform will also narrow the window for submitting Medicare claims for payment and requires electronic payments, both of which will decrease the opportunities for gaming the system.
- **Penalizing fraudulent activity swiftly and sufficiently** – Health care reform will mean tougher penalties for submitting false applications or claims for payment, obstructing audits and

investigations and using false or misleading marketing to enroll seniors in Medicare Prescription Drug benefit plans.

- **Enhanced oversight and screening to catch and punish fraudulent providers and suppliers –** Health care reform will increase background checks, site visits and other enhanced oversight to weed out fraudulent providers before they start billing Medicare or Medicaid. It also creates a national pre-enrollment screening program for all institutional providers and places new controls on high-risk programs, like home health services or durable medical equipment, to ensure that only Medicare and Medicaid providers in good standing can provide these services.
- **Requiring providers and suppliers to adopt compliance programs as a condition of participation in Medicare and Medicaid –** Health care reform will strengthen the Medicare and Medicaid program requirements for providers, suppliers and contractors to make sure program rules are well understood.

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