



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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For Immediate Release  
Thursday, April 19, 2001

## Grassley Announces Hearing on Improper Medicare, Social Security Payments

Hearing: "Medicare and Social Security Benefits: Turning Off the Spigot to Prisoners, Fugitives, the Deceased and Other Ineligibles"  
Date/time: Wednesday, April 25, 2001, at 10 a.m.  
Location: 215 Dirksen Senate Office Building

Description: The Medicare, Medicaid and Social Security programs spend millions of dollars a year on benefits to ineligible people such as prisoners, fugitives, the deceased, deportees and others. The exact dollar amount spent on ineligible people is difficult to determine, but a Committee on Finance investigation estimates that at least \$790 million a year -- and as much as \$831 million -- is wasted through just 12 benefit programs at the Department of Health and Human Services and the Social Security Administration. For example, Social Security's cash assistance for the needy program pays \$30 million a year to fugitive felons. The agency's program for the disabled pays another \$39 million a year to fugitive felons.

Some of these improper payments are due to technical incompatibilities between federal, state and local governments; others result from inadequate system checks. The improper payments to prisoners, fugitives and other ineligible people are just a drop in the bucket of overall improper payments made annually through the Department of Health and Human Services (\$13.5 billion) and the Social Security Administration (\$4 billion).

Sen. Chuck Grassley, chairman of the Committee on Finance, will convene a hearing to examine the extent of improper payments via these programs, whether those payments are due to error or fraud, and whether the agencies are taking adequate steps to stop this squandering of tax dollars.

### Witness List

Name to be Announced, Fugitive Felon/Parole Violator who received Social Security payments while a fugitive, Essex County Jail, Newark, N.J.

James G. Huse, Jr., Inspector General, Social Security Administration, Baltimore, Md.

Fritz G. Streckewald, Acting Assistant Deputy Commissioner, Office of Disability and Income Security Programs, Social Security Administration, Baltimore, Md.

Dr. Daniel G. Kyle, Ph.D., CPA, CFE, Legislative Auditor, State of Louisiana, Baton Rouge, La.

Michael F. Mangano, Acting Inspector General, Department of Health and Human Services, Washington, D.C.

Michael McMullan, Acting Deputy Administrator, Health Care Financing Administration, Department of Health and Human Services, Washington, D.C.