COMMITTEE ON FINANCE
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BAUCUS EXAMINES LANDMARK MEDICARE FRAUD BUST, SAYS HEALTH REFORM IS HELPING PREVENT FRAUD, SAVE TAXPAYER MONEY

Finance Chairman: A Single Taxpayer Dollar Lost to Fraud Is too Much, so Fight to Root out Criminals and Scammers Must Continue

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) examined a recent, landmark Medicare fraud bust in a Committee hearing held today, calling the bust a sign that new fraud prevention measures enacted in health reform are working. The fraud bust, at the time the largest ever in terms of false Medicare billings involved, resulted in charges brought against a network of 91 defendants accused of nearly $300 million in fraud. Baucus and the witnesses looked at the new tools health reform gave law enforcement agencies and HHS to protect Medicare and Medicaid dollars from criminals. Those new tools made last year the most successful ever in fraud crackdowns, with more than $4 billion recovered.

"Health care fraud adds to the deficit, wastes taxpayer dollars and forces seniors to spend more out of their tight budgets on Medicare premiums. We're making major progress in the fight against fraud thanks to new tools from health reform, and we need to keep it up," Baucus said. **"Health reform gives law enforcement the authority to stop payments and investigate suspicious claims before taxpayer money goes out the door. And health reform also improves screening to ensure criminals can't get in to Medicare or Medicaid. A single dollar lost to fraud is too much, so this effort to root out criminals and scammers must continue."**

Baucus, who has long fought to prevent fraud and abuse in federal health care programs, helped create new ways in the health reform law for Medicare to screen health care providers before they are accepted into the program, preventing criminals and past offenders from attempting fraudulent transactions. It also formed a singular database for Medicare billing information, which allows the Departments of Health and Human Services and Justice to better coordinate and share information on past offenders and schemes.

The law also works proactively by giving officials the authority to suspend payments and investigate suspicious claims before they are paid, eliminating the need to track down fraudulent payments later. Prior to reform, Medicare lacked the ability to stop making payments to a fraudulent provider unless the Justice Department successfully convicted the provider of fraud.

Not only does health reform focus on prevention, it also increases civil and criminal penalties for those who commit fraud, and it increases the tools for the Health Care Fraud and Abuse Control Program, a joint effort between the Department of Justice and HHS, to fight health care fraud.

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