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FOR IMMEDIATE RELEASE
October 4, 2012

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BAUCUS SAYS MEDICARE FRAUD BUST SHOWS HEALTH REFORM HELPING LAW ENFORCEMENT FIGHT FRAUD

In Health Reform, Finance Chairman Helped Create New Tools to Fight Fraud

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) applauded today's announcement that the Medicare Fraud Strike Force made one of the largest busts in recent history, leading to charges being brought against 91 people in seven cities in connection with nearly $430 million in false billings. Senator Baucus has long fought to prevent fraud and abuse in federal health care programs, including in health reform, which helped create new tools to combat fraud and boosted funding for the Medicare Fraud Strike Force.

"This is a major victory in the fight against Medicare fraud, and it proves yet again that health reform is saving money and improving the health care system," Senator Baucus said. **"Cheats and fraudsters drain money out of Medicare that seniors need to help them stay healthy. In a time when budgets are tight, these efforts to combat fraud are especially critical."**

In addition to increasing the funding for the Medicare Fraud Strike Force, the health reform law included new ways 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.

The law also helps agencies work 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. In the bust announced today, the Department of Health and Human Services (HHS) was able to suspend payments to several health care providers while the investigation was ongoing.

Health reform also increased civil and criminal penalties for those who commit fraud, and it increased 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.

Senator Baucus recently released a GAO report detailing the progress being made, thanks to health reform, to stop fraud before it happens. He also convened a hearing earlier this year to see what lessons could be learned from another recent landmark Medicare fraud bust so law enforcement could fight more fraud and recover more taxpayer dollars. At the time, the bust was the largest ever in terms of the amount of fraudulent billings involved, and it resulted in charges being filed against a network of 91 defendants accused of nearly $300 million in fraud.

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