

News from Senator

BOB DOLE



(R - Kansas)

2213 Dirksen Building, Washington, D.C. 20510

FOR IMMEDIATE RELEASE
TUESDAY, JULY 22, 1980

CONTACT: BOB WAITE
(202) 224-6521

STATEMENT OF SENATOR DOLE ON MEDICAID/MEDICARE FRAUD AND ABUSE

WASHINGTON -- Senator Bob Dole today expressed his concern over the continued growth of Medicare and Medicaid abuse. The following is the full text of Senator Dole's remarks:

I would like to begin by commending the distinguished Chairman of this Subcommittee, Senator Talmadge, for his commitment, concern and continued hard work in fighting medicare and medicaid fraud and abuse. We have worked together in the past in developing legislation designed to strengthen our efforts to ferret out program abuse and I looked forward to working with you again Mr. Chairman, in this our current effort.

Medicare and Medicaid fraud and abuse are diseases, and are potentially fatal processes that may serve to destroy these programs.

Those who are adversely affected by these abuses are the recipients; those poor and elderly in our communities who depend on these programs for survival.

These individuals suffer because fraud and abuse takes the money needed for services to these people and puts it into the hands of the unscrupulous whose sole purpose is an increase in their own wealth.

Legitimate health care providers also suffer because the names of many good practitioners are needlessly blackened, and their professionalism questioned because of those who are unethical.

And finally, the taxpayers suffer because they expect that the money they have put into the system will be used for the purpose it was intended; but instead, the money is abused and the taxpayers cheated.

The witnesses before us today will tell us that fraud and abuse are rampant--that, and I quote, "Kickbacks and rebates are a way of life." They believe that no phase of the Medicare and Medicaid industry is free from fraud. Well the time to stop the fraud is now.

We cannot mask it, ignore its existence and hope it will go away by merely deleting those terms from our vocabulary, as some have suggested. We must fight it with all the tools at our disposal.

In 1976, during the Presidential campaign, then candidate Jimmy Carter, frequently criticized the Ford Administration for failing to correct abuses in the Medicaid program.

Today, four years after these claims were made and four years after the election of Jimmy Carter, the FBI is here to tell us that rampant waste and illegality still exists - in fact they are worse.

Some years ago this Committee was instrumental in the creation of the Office of the Inspector General.

The Inspector General was given the responsibility of fraud detection and control in HHS programs and I am anxious to hear from him as soon as possible regarding the activities of his office. However, it is clear to me, after an opportunity to talk with the FBI this morning, that the efforts of the IG are insufficient to stem the tide of this onslaught of crimes.

-2-

The question would seem to be how we can best augment their efforts -

Should we specifically support some new FBI activities, as the Chairman has suggested? Or should we strengthen the hand of the IG directly?

Conclusion

Medicare and Medicaid are taking an increasing amount of the Federal budget. Health care costs are rising. The need for reforms in the system grows. But until we gain a greater control over our existing program our efforts are hampered.

Certainly it is not our intention with these hearings to cast dispersions on those members of the health profession or on those health facilities who have provided responsible, qualified care. We are concerned about the percentage that have taken advantage of their position.

The control of fraud and abuse is a responsibility that cannot be borne solely by the Federal Government. It must be shared by all. Our efforts today are to identify areas of particular problems - and devise ways to rectify these problems.

I look forward to hearing from our witnesses - and to working with the Committee in addressing these serious issues.