

DOLE CALLS FOR NEW HEARINGS ON MEDICAID, MEDICARE FRAUD AND ABUSE

HAYS, Kan. -- Senator Bob Dole (R.-Kansas) today announced he plans to call hearings on Medicaid and Medicare fraud and abuse when the Congress returns after the election.

Senator Dole, the Ranking Republican on the Senate Finance Committee Health Subcommittee, co-chaired hearings earlier this year which revealed patterns of abuse in the two health care programs.

"Fraud and abuse is rampant and pervasive," says Dole. "Money that is needed for the elderly, the sick, and the poor is lifted out of the Medicare and Medicaid Programs by some who are unscrupulous, whose sole purpose is increase in personal wealth. Kickbacks, ghost payrolls and embezzlements in these programs must be fought with all the tools at our disposal," Dole added.

"The Department of Health and Human Services (HHS), the agency responsible for handling these massive extortions, refuses to call the problem 'fraud and abuse.' The Secretary prefers to refer to these flagrant abuses as 'program misuse and management inefficiencies.' Is it any wonder that the FBI has received virtually no information from HHS in their recent investigations of the prevention of Medicare/Medicaid fraud and abuse?" asked Dole. In recent hearings the FBI stated that "corruption has permeated virtually every area of the Medicare/Medicaid fraud health care industry." Fifty-two of the 59 FBI field offices had cases pending involving fraud against HHS. At present, over 700 cases are under their consideration.

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"These recurrent charges of fraud have prompted periodic moves by the Congress to correct the situation. However, Congress can pass laws but cannot implement them. As indicated by previous testimony before the Finance Committee, we are still a long way from bringing fraud and abuse to a stop. Most of the FBI effort in pioneering fraud and abuse investigations was stimulated by efforts of Senate investigators," Dole said.

"This investigative effort must continue. Sixty-six billion dollars of government money is spent annually for Medicare/Medicaid programs. Programs of this budgetary magnitude are targets which attract criminals and fast buck artists." The overwhelming majority of people involved in this area are honest and doing the best job possible -- the unfortunate part is that fraud strikes at every conceivable part of these programs," Dole added.

"Every dollar that the fast buck artists take -- and a conservative estimate by the FBI is that they take 10 percent of this \$66 billion programs -- deprives needy citizens, the poor, the helpless, the crippled, the disabled, and the sick of that type of assistance that Congress intended through the Medicare and Medicaid programs," Dole said.

"The HHS program abuses are a scandal which requires a degree of competence not presently found within the Department's capability. Continued hearings will undoubtedly prompt more pervasive means of dealing more effectively with the wasted federal dollar," Dole concluded.