



Former Senator Norm Coleman of Minnesota once said, “Scam artists have treated Medicare like an automated teller machine, drawing money out of the government’s account with little fear of getting caught.”

According to the SMP Resource Center, that is changing, however. Modern anti-fraud and abuse measures are being applied to the Medicare program. Former U.S. Health and Human Services Secretary Kathleen Sebelius said in February 2013:

“The president’s health care law has allowed us to place a record number of boots on the ground to catch those seeking to game our health care system for person gain. And through a combination of tougher criminal sentences and record civil recoveries, we have effectively deterred countless others from engaging in such conduct, saving taxpayers from immeasurable losses.”

The economic impact of Medicare fraud, errors and abuse on taxpayers and the solvency of the Medicare Trust Fund are the most frequently touted reasons for addressing the problem. Less often discussed, but just as important to the SMP mission, is the economic and health impact to individual Medicare beneficiaries who are victims.

According to the Medicare Trustees report, total Medicare expenditures in 2012 were \$574.2 billion. The prediction for Medicare expenses in 2022 is \$1.0877 trillion, showing a near doubling in Medicare spending by the end of those 10 years. The projected dramatic increase in Medicare spending is due, in part, to a significant growth in the number of people eligible for Medicare – aging “baby boomers” – and inflation. With legitimate Medicare costs expected to rise, reducing loss due to fraud, errors and abuse remains vital.

The Health and Human Services 2013 Agency Financial Report showed that there were \$45.6 billion in Medicare overpayments in FY2013, which is about eight percent of total funding. In testimony before the Senate Special Committee on Aging in 2014, the National Health Care Anti-Fraud Association estimated that 2014 Medicare losses due to fraud were in the \$60 billion range.

The Federal government has a website that provides additional information on health care fraud, including cases that have been prosecuted. At this site you’ll also find the government’s anti-fraud efforts. Check them out at <https://www.medicare.gov/forms-help-resources/help-fight-medicare-fraud>

The U.S. Attorney’s Office works closely with the Office of Inspector General, the Federal Bureau of Investigation and other government agencies to combat health care fraud. Check out a case from Portland, Maine that made headlines in June 2013 at <https://bangordailynews.com/2013/06/21/news/portland/former-portland-foot-doctor-sentenced-on-drug-fraud-convictions/>

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