

HHS says it recovered \$4 billion in fraudulent payment in 2010

By: Alicia Gallegos, amednews staff

The Dept. of Health and Human Services recovered \$4 billion in fraudulent payments in 2010, its most successful year fighting fraud, according to an annual HHS report.

Anti-fraud efforts included 1,116 criminal investigations, 931 defendants charged and 726 convictions. Teamwork by HHS, the FBI and the Dept. of Justice was largely responsible for the unprecedented numbers, officials said.

"In 2010, we took more steps to carve out fraud and abuse from Medicare than in any other year in our nation's history," HHS Secretary Kathleen Sebelius said at a Jan. 24 news conference. "But we still have a lot of work left to do."

Sebelius and others outlined renewed strategies aimed at combating fraud under the Patient Protection and Affordable Care Act. Those steps include tougher screenings of health care professionals who are planning to participate in Medicaid or Medicare, increased penalties for defendants, and withholding payments to recipients under investigation.

Officials also plan to work more diligently with health professionals to reduce honest billing errors.

\$120 billion is stolen from Medicare and Medicaid each year.

"It's a new day," said Dennis Jay, executive director of the nonprofit **Coalition Against Insurance Fraud**. "We have new leaders at the top who are not only willing, but committed to fighting fraud."

However, not everyone believes the government's figures are reason to celebrate.

The money recovered represents a small portion of the \$120 billion stolen from Medicare and Medicaid each year, according to the Washington, D.C.-based Center for Health Transformation. The center recently analyzed Medicare and Medicaid data to develop fraud-fighting solutions.

"Celebrating [the increase] in recovered funds is akin to eating a big piece of chocolate cake to celebrate losing weight," the center said in a statement.

More reforms are needed by Congress to enhance fighting fraud, said Sen. Charles Grassley (R, Iowa). "Some is good and more is better," he said in a statement. Grassley in December 2010 criticized the Dept. of Justice based on an analysis by his office that found fraud conviction rates in 2009 decreased by 18%.

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attorney in Chicago, said the money recovered should be contrasted with the staggering amount lost to fraud each year. "In that sense, you think, 'Why is law enforcement cheering?' " But, he added, it's important to view the anti-fraud work in the context of how far the government has come.

"Where were we five years ago? How much did we understand then?" he asked.

The government "is more attuned to the schemes being run in the program and more attuned to where the weak spots are."

The trick will be keeping up with criminals, whose methods no doubt will become more sophisticated as anti-fraud programs expand, he said.

Sebelius acknowledged that in the past the government did not take its role in combating fraud as seriously as it should have.

"That is changing," she said. "The report shows ... this work is paying off and the new [ACA] rules will allow us to keep this momentum going."