

## A Medicare scam that just kept rolling

By: David A. Fahrenthold, The Washington Post

In the little office where they ran the scam, a cellphone would ring on Sonia Bonilla's desk. That was the sound of good news: Somebody had found them a patient.

When Bonilla answered the phone, one of the scam's professional "patient recruiters" would read off the personal data of a senior citizen. Name. DOB. Medicare ID number. Bonilla would hang up and call Medicare, the enormous federal health-insurance program for those over 65.

Fourth in a series examining the failures at the heart of troubled federal systems.

She asked a single question: Had the government ever bought this patient a power wheelchair?

No? Then the scam was off and running.

"If they did not have one, they would be taken to the doctor, so the doctor could prescribe a chair for them," Bonilla recalled. On a log sheet, Bonilla would make a note that the recruiter was owed an \$800 finder's fee. "They were paid for each chair."

This summer, in a Los Angeles courtroom, Bonilla described the workings of a peculiar fraud scheme that — starting in the mid-1990s — became one of the great success stories in American crime.

The sucker in this scheme was the U.S. government. That wasn't the peculiar part.

The tool of the crime was the motorized wheelchair.

The wheelchair scam was designed to exploit blind spots in Medicare, which often pays insurance claims without checking them first. Criminals disguised themselves as medical-supply companies. They ginned up bogus bills, saying they'd provided expensive wheelchairs to Medicare patients — who, in reality, didn't need wheelchairs at all. Then the scammers asked Medicare to pay them back, so they could pocket the huge markup that the government paid on each chair.

A lot of the time, Medicare was fooled. The government paid.

Since 1999, Medicare has spent \$8.2 billion to procure power wheelchairs and "scooters" for 2.7 million people. Today, the government cannot even guess at how much of that money was paid out to scammers.

Now, the golden age of the wheelchair scam is probably over.

But, while it lasted, the scam illuminated a critical failure point

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in the federal bureaucracy: Medicare's weak defenses against fraud. The government knew how the wheelchair scheme worked in 1998. But it wasn't until 15 years later that officials finally did enough to significantly curb the practice.

"If you play it right, you can make a lot of money quickly, stealing from Medicare," said James Quiggle, of the nonprofit Coalition Against Insurance Fraud, recounting the lesson of the past decade and a half. "You can walk into the United States, with limited English skills, no knowledge of medicine, and — if you hook up with the right people, that know how to play the system like a Stradivarius — you can become an overnight millionaire."