STOP MEDICARE FRAUD

U.S. Department of Health & Human Services and U.S. Department of Justice

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Turning up the HEAT to Stop Medicare and Medicaid Fraud

The Department of Health and Humans Services & the Department of Justice's

Health Care Fraud Prevention & Enforcement Action Team (HEAT)

Background:

Health care fraud perpetrators are stealing billions of dollars from the federal government, American taxpayers and some of our most vulnerable citizens. This not only drives up costs for everyone in the health care system, it hurts the long term solvency of Medicare and Medicaid, two programs upon which millions of Americans depend.

In 2008, officials from the Department of Justice, the HHS Office of the Inspector General, and the Centers for Medicare and Medicaid Services worked together through the criminal and civil systems to secure 588 criminal convictions, obtain 337 civil administrative actions against people and organizations who were committing Medicare Fraud, and recover over a billion dollars in health care fraud monies under the False Claims Act. Indeed, to date in fiscal year 2009, the Department of Justice has already recovered nearly a billion dollars in health care fraud monies and recorded 300 convictions.

While we have made progress in the fight against fraud, we must do more. Today, Secretary Sebelius and Attorney General Holder pledged to fight waste, fraud and abuse in Medicare and announced the creation of the Health Care Fraud Prevention and Enforcement Action Team (HEAT). With the creation of the new HEAT team, fighting Medicare Fraud will become a Cabinet level priority task for both the Department of Justice and the Department of Health and Human Services.

Mission of HEAT:

To marshal significant resources across government to prevent waste, fraud and abuse in the Medicare and Medicaid programs and crack down on the fraud perpetrators who are abusing the system and costing us all billions of dollars.

To reduce skyrocketing health care costs and improve the quality of care by ridding the system of perpetrators who are preying on Medicare and Medicaid beneficiaries.

To highlight best practices by providers and public sector employees who are dedicated to ending waste, fraud and abuse in Medicare.

To build upon existing partnerships that already exist between the Department of Justice and the Department of Health and Human Services like our Medicare Fraud Strike Forces to reduce fraud and recover taxpayer dollars.

Actions taken today:

Creation of Health Care Fraud Prevention & Enforcement Action Team (HEAT) made up of top level law enforcement and professional staff from the Department of Justice and the Department of HHS and their operating divisions, dedicated to joint efforts across government to both prevent fraud and enforce current anti-fraud laws around the country. The HEAT team will meet bi-weekly.

Expansion of the Department of Justice, Centers for Medicare and Medicaid Services, and HHS Inspector General's Medicare Fraud Strike Forces to Houston and Detroit, bringing the total number of cities/regions where the Strike Forces are operating to four: South Florida, Los Angeles, Detroit and Houston.

Use of new state-of-the-art technology to fight fraud. Investigators in the HHS Office of the Inspector General are implementing state-of-the-art, cutting edge technology to identify and analyze potential fraud with unprecedented speed and efficiency. Using this technology, federal law enforcement officials are completing in a matter of days analysis of electronic evidence that previously took months to analyze using traditional investigative tools.

Expansion of the CMS Demonstration project on Durable Medical Equipment to increase site visits during the provider enrollment process.

New Funding for Medicare Drug Integrity contractors to monitor Medicare Parts C & D compliance and enforcement and expanded use of these contractors.

Increased compliance training for providers to prevent honest mistakes and help stop potential fraud before it happens.

Expansion of the CMS Medicaid provider audit program to help State Medicaid officials conduct audits, monitor activities and detect fraud.

Commitment to expanded data sharing and improved information sharing procedures between HHS and DOJ in order to get critical data and information into the hands of law enforcement to track patterns of fraud and abuse, increase efficiency in investigating and prosecuting complex health care fraud cases, and turn off funding and profits to those who may be defrauding the system.

Other Administration support:

The President's 2010 budget for HHS contains funding for anti-fraud efforts over five years that we estimate could save $2.7 billion by improving overall oversight and stopping fraud and abuse within the Medicare Advantage and Medicare prescription drug programs. It also invests $311 million to strengthen program integrity in Medicare and Medicaid, with particular emphasis on greater oversight of Medicare Advantage and Medicare Prescription Drug programs.

Upcoming Actions:

Strike Team Activity in South Florida, Los Angeles, Houston and Detroit - *ongoing*

Unveiling of New Joint HEAT Team Web Site, call-in numbers and on-line tools to fight fraud - *expected June 2009*

Highlighting Best Practices for Fraud Prevention in the Public and Private Sector – *early summer 2009*

Outreach meetings with top Anti-Fraud leaders in Congress, Law Enforcement and the Private Sector including Providers - *ongoing*

Resources for Americans:

www.hhs.gov/stopmedicarefraud