

Hearing on Preventing Medicare Fraud How We Can Best Protect Seniors and Taxpayers

Chairman Nelson, Senator Collins, ranking members of the committee, and distinguished senators, on behalf of older adults, people with disabilities and their families and caregivers of Michigan, I thank you for this opportunity to be here today to share with you some of our first hand experiences with detecting and reporting Medicare fraud.

My inspiration for working with older adults came from my own experiences as a caregiver for my husband. My husband had just retired when he was shot in the leg during an armed robbery. He had some persistent pain in his abdomen and back, so the doctors ordered a CAT scan. He went into anaphylactic shock from the dye used in the CAT scan, and stopped breathing. Even though the doctors tried to resuscitate him, he wound up with significant brain damage. They tried to get me to put him in a nursing home, but I said “no”. I had one daughter in college and the other in high school—how could I put their father in a nursing home? So I took him home on a ventilator.

I had to quit my job of 21 years in retail management to take care of him. I didn’t think anything of it at the time, but I paid for a bed bound man to have occupational therapy; and to be on a ventilator doctors later said he didn’t need. I saw firsthand how unnecessary medical treatments can cost a family thousands of dollars.

So I decided to do something. In Michigan, I began working at the Senior Alliance area agency on aging, and quickly became involved with the Senior Medicare Patrol. The Senior Medicare Patrol is a volunteer program funded by the Administration on Aging which provides education, counseling, and outreach to Medicare beneficiaries on how to protect themselves against Medicare fraud. To date, the Senior Medicare patrol program nationwide has received more than one million inquiries regarding potential fraud, waste and abuse in the program, and is estimated to have saved Medicare and Medicaid about \$106 million. I am proud to serve as Regional coordinator for the Senior Medicare Patrol, with the responsibility for managing and training 46 volunteers and counselors.

In the past seven years, our SMP program has identified and reported cases of beneficiaries receiving unnecessary treatments or tests like MRI and CAT scans, similar to what happened to Ms. Gresko. We have also seen beneficiaries being billed for services they did not receive. And we have seen organizations that bill Medicare target vulnerable Seniors with abusive marketing practices. In one case, an elderly man was billed for outpatient physical therapy services on the same day he was having triple bypass surgery after having a heart attack. He remained in the hospital for six weeks, and then went to a rehabilitation facility. While he was in the hospital, Medicare was billed for 12 outpatient physical therapy visits that he never received. In other cases, Seniors have been offered gifts of television and video games, weekly pizza parties and bingo games have been arranged, and solicitors from these organizations have even followed our Meals-On-Wheels volunteers to find out where Medicare beneficiaries live so that they can return with gifts as incentives to sign up for care from that organization. In one case, a home health representative followed a volunteer driver and was able to record all the addresses the driver delivered to and then returned later to the beneficiaries' homes with baskets of food, saying it was a gift from Medicare.

We need to find better ways of identifying who these fraudsters are, and keeping them from marketing their schemes to some of our most vulnerable Seniors. I know that there are many honest doctors, nurses, physical therapists, and home health aids which every day help Seniors to live healthy and productive lives. We need to let more of the good ones into the program, while keeping out the bad. We need to think about how we can all work together, government and private industry, beneficiary and provider, to stop Medicare fraud.

We in the Senior Medicare Patrol have been doing our part. We have worked with our state health insurance program counselors to reach as many beneficiaries as we can. We have worked with the Office of Inspector General to instruct service coordinators working in government housing on how they can protect the residents of their buildings from health care fraud. Every day we hear these stories, and try to find solutions.

We ask you to do what you can to give the Medicare program better tools to fight health care fraud. We need to keep fraudsters out of the program; we need to crack down on abusive marketing practices; and we need to find a way to all work together to reduce the billions of Federal dollars lost each year to health care fraud.

Thank you for letting me share my experiences with you,

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