



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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For Immediate Release

Friday, April 23, 2004

Grassley plans hearing to explore fraud in the sale of motorized wheelchairs to Medicare

Hearing: "Taking Taxpayers for a Ride: Fraud and Abuse in the Power Wheelchair Program"

Date: Wednesday, April 28, 2004

Time: 10 am (EDT)

Location: 215 Dirksen Senate Office Building, Washington, D.C.

Description: The federal government spends almost \$10 billion each year for durable medical equipment. Since 1998, government purchases of the K-11 power wheelchair, the most popular model paid for by Medicare, have increased more than 400 percent even while there was no measurable increase in the eligible population of Medicare beneficiaries. In 2002, about 10 percent of the government's overall expenditure for durable medical equipment was for power wheelchairs and scooters. The dramatic growth in expenditures for power wheelchairs can be attributed to several factors including criminal fraud schemes in many parts of the U.S. and aggressive direct marketing by some suppliers. The fact that Medicare pays more than the market rate for power wheelchairs has contributed to both trends. In response to reports of abuse, the Centers for Medicare and Medicaid Services initiated a 10-point program in September 2003.

Concerned about the effectiveness of this response, Sen. Chuck Grassley, Chairman of the Senate Finance Committee, asked the General Accounting Office to study the government's 10-point plan, known as "Operation Wheeler Dealer." Grassley will release the GAO's review at his April 28 hearing.

In addition to testimony from the GAO, the hearing will include the release of two audits by the Inspector General of the Department of Health and Human Services and a witness who has plead guilty to durable medical equipment fraud. A health care technology practitioner and a representative for the disability community also will testify.

Witness List: Defendant who plead guilty to fraud

Dara Corrigan, Acting Principal Deputy Inspector General, Office of the Inspector General, Department of Health and Human Services, Washington, DC

Leslie Aronovitz, Director, Health Care, Program Administration and Integrity Issues, United States General Accounting Office, Washington, DC

Herbert Kuhn, Director, Center for Medicare Management, Centers for Medicare & Medicaid Services, Department of Health and Human Services, Washington, DC

Dr. Laura Cohen, Physical Therapist and Assistive Technology Practitioner, Consultant to TriWest region of TRICARE, Tucson, Arizona

Mr. Henry Claypool, Co-Founder of Advancing Independence, Washington, DC

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