



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

## MEMORANDUM

To: Reporters and Editors  
Re: Medicare improper payments in Fiscal Year 2004  
Da: Monday, Dec. 13, 2004

Today the Centers for Medicare and Medicaid Services reported a Medicare payment error rate for Fiscal Year 2004 of 9.3 percent, representing \$19.9 billion in improper payments to providers. Sen. Chuck Grassley, chairman of the Committee on Finance, made the following comment on today's announcement.

“Understanding the size and scope of a problem is the key to solving it. And with an improper payment amount of nearly \$20 billion and an error rate approaching double digits, there is clearly an unacceptable problem here. I appreciate CMS' effort to get a more complete, accurate Medicare error rate. The agency has made progress, and that means the public is getting a fuller picture of the amount of improper payments. However, CMS must work even more aggressively to stem the tide of this error rate and work closely with the Justice Department and the Inspector General in the pursuit of waste, fraud and abuse. Improper payments jeopardize Medicare's ability to treat a growing population of beneficiaries. They have to stop.”