

Carl Levin, Chairman

Norm Coleman, Ranking Minority Member

FOR IMMEDIATE RELEASE

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**Coleman, Levin Investigate Millions in Medicare Payments
for Claims Tied to Deceased Doctors**

Washington, D.C.— Senator Norm Coleman (R-MN), Ranking Member of the Permanent Subcommittee on Investigations (PSI), and Subcommittee Chairman Carl Levin (D-MI) will hold a hearing tomorrow morning entitled *Medicare Vulnerabilities: Payments for Claims Tied to Deceased Doctors*. The hearing will examine Medicare payments for durable medical equipment (DME) claims containing identification numbers assigned to doctors who died at least one year before the dates of service on the claims. The Subcommittee’s analysis of Medicare claims data revealed that, from 2000 through 2007, Medicare payments for DME claims containing the UPINs of deceased physicians ranged from an estimated \$60.3 million to \$92.8 million. Notably, this estimate included only claims that occurred at least one year after the doctors’ deaths; if claims within 12 months of the physicians’ deaths were included, the estimate of claims paid over that timeframe would likely reach over \$100 million. Medicare claims contained the UPINs of an estimated 16,500 to 18,200 deceased physicians and involved approximately 385,000 to 572,000 claims for DME items.

“Our investigation found that, for the last seven years, Medicare paid nearly 500,000 claims even though the prescribing doctors died years beforehand. Medicare is a noble program and it is quite disturbing that so many people would try to exploit the program for their own gain,” said Coleman. “Using the ID numbers of dead doctors, these scam artists have treated Medicare like an ATM machine, drawing money out of the Government’s account with little fear of getting caught. Medicare’s claims review process has not worked properly to ensure dead doctors are removed from the system and that claims linked to those doctors are rejected. This is simply unacceptable, as making sure that the prescribing doctor is alive before paying a claim should be a no-brainer. It’s time to close this \$100 million loophole.”

“Medicare is receiving some durable medical equipment claims using information from doctors who died up to ten years earlier,” said Levin. “And instead of easily identifying and rejecting those claims, Medicare has been paying them. The slipshod procedures that let these claims get through are an insult to U.S. taxpayers. It is long overdue to shut the door on this multi-million-dollar abuse.”

HEARING WITNESSES:

HERB KUHN, Deputy Administrator, Centers for Medicare and Medicaid Services
ROBERT VITO, Regional Inspector General, Office of Evaluations and Inspections,
Department of Health and Human Services

WILLIAM E. GRAY, Deputy Commissioner, Office of Systems, Social Security Administration

WHEN: Wednesday, July 9, 2008, 10:00 a.m.

WHERE: 342 Dirksen Senate Office Building

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