

Centers for Medicare & Medicaid Services  
Room 352-G  
200 Independence Avenue, SW  
Washington, DC 20201

## CMS NEWS

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Contact: CMS Media Relations  
(202) 690-6145

### **CMS imposes first Affordable Care Act enrollment moratoria to combat fraud**

#### ***Agency targets high-fraud areas while ensuring patient access to care***

Building on strong anti-fraud efforts already underway, Centers for Medicare & Medicaid Services' (CMS) Administrator Marilyn Tavenner today announced temporary moratoria on the enrollment of new home health provider and ambulance supplier enrollments in Medicare, Medicaid and the Children's Health Insurance Program (CHIP) in three fraud "hot spot" areas of the country. The goal of the temporary moratoria is to fight fraud and safeguard taxpayer dollars, while ensuring patient access to care. Authority to impose such moratoria was included in the Affordable Care Act, and CMS is exercising this authority for the first time.

Under the moratoria, existing providers and suppliers can continue to deliver and bill for services, but no new provider and supplier applications will be approved in these areas for all three programs. The temporary enrollment moratoria apply to newly-enrolling home health agencies in the Miami and Chicago metropolitan areas; and newly-enrolling ground ambulance suppliers in the Houston metropolitan area (see list of affected counties below). CMS announced the temporary, six-month moratoria in a notice issued today in the *Federal Register*.

"CMS is using all available tools, including these moratoria, to combat fraud, waste and abuse in these vital health care programs," said Administrator Tavenner. "While maintaining patients' access to care, we are putting would-be fraudsters on notice that we will find and stop them before they can attempt to bill Medicare, Medicaid and CHIP."

CMS carefully examined Medicare beneficiary access to home health and ambulance services in the Miami, Chicago and Houston areas, and concluded that the moratoria will not affect access to care. The agency also worked closely with the states of Florida, Illinois and Texas to evaluate patient access to care, and these states determined that Medicaid and CHIP beneficiaries will continue to have access to services. During the moratoria period, CMS and states will continuously monitor access to care to ensure Medicare, Medicaid and CHIP beneficiaries are receiving the services they need.

In consultation with the Health and Human Services Office of Inspector General and the Department of Justice, CMS determined that fraud trends warranted a moratorium on home health providers and ambulance suppliers in three geographic areas. CMS also reviewed key factors which are indicators of potential fraud risk including a disproportionate number of providers and suppliers relative to beneficiaries, a rapid increase in enrollment applications from providers and suppliers, and extremely high utilization. All three areas ranked near the top across the nation on all of these fraud risk factors. Federal law enforcement agencies have also pursued and prosecuted a large number of cases of health care fraud in these areas.

CMS is working with its partners to monitor the impact of the moratoria, such as the anticipated movement of fraud schemes to different services or geographic areas.

The moratoria begin Tuesday, July 30. CMS may lift the moratoria earlier or extend it another six months by issuing another notice in the *Federal Register*. The affected counties in each of the three metropolitan areas are:

- Miami: Miami-Dade and Monroe
- Chicago: Cook, DuPage, Kane, Lake, McHenry and Will
- Houston: Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery and Waller

The Affordable Care Act has enabled CMS to expand efforts to prevent and fight fraud, waste and abuse. Over the last four years, the Obama administration has recovered over \$14.9 billion in healthcare fraud judgments, settlements, and administrative impositions, including record recoveries in 2011 and 2012.

In addition, CMS has revoked 14,663 providers and suppliers' ability to bill in the Medicare program since March 2011. These providers were removed from the program for a variety of reasons, such as felony convictions, not being in operation at the address CMS had on file, or otherwise not being in compliance with CMS rules. In 18 states, the number of revocations has quadrupled since CMS put the Affordable Care Act screening and review requirements in place.

The *Federal Register* notice can be downloaded at: <https://www.federalregister.gov/public-inspection>

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