

NEWS – CONGRESSMAN PETE STARK

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STARK, HERGER INTRODUCE BIPARTISAN BILL TO FIGHT MEDICARE FRAUD

WASHINGTON – Rep. Pete Stark (D-CA) and Rep. Wally Herger (R-CA), Chairman and Ranking Member of the House Ways and Means Health Subcommittee, today introduced H.R. 6130, the Strengthening Medicare Anti-Fraud Measures Act. They were joined by 17 of their colleagues.

The legislation expands the authority of the HHS Office of Inspector General (OIG) to allow it to ban corporate executives from doing business with Medicare if their companies were convicted of fraud. It also gives the OIG the ability to exclude parent companies that may be committing fraud through shell companies. At a hearing on Medicare fraud in June, the Chief Counsel for the OIG asked members of the Ways and Means Committee for these two changes.

Chairman Stark: "This legislation gives the Office of Inspector General the authority to go after crooked executives and corporations that continue to bilk Medicare. Stopping these swindlers will save taxpayer money and protect Medicare beneficiaries. I appreciate the OIG making this request for more authority, and thank my Democratic and Republican colleagues, especially Mr. Herger, for working together to address this issue."

Ranking Member Herger: "Medicare fraud is a crime against senior citizens, legitimate health care providers, and every American who pays taxes. It is imperative for us to remain vigilant to prevent Medicare fraud, and to ensure that those who do commit fraud don't get a second chance at their crimes. With Medicare already on an unsustainable fiscal path, it is inexcusable to allow more and more taxpayer dollars to be defrauded. Law enforcement officials have informed Congress that there are gaps in our current anti-fraud laws, and I am pleased to join Chairman Stark in offering legislation to close the loopholes so that these offenders will pay the price for their crimes."

For more information on the June hearing on fraud, waste, and abuse in the Medicare program, please visit: <http://go.usa.gov/xDC>

The legislation addresses two gaps that exist in fighting Medicare fraud:

- Executives from companies that are convicted of fraud can be excluded from Medicare under current law. However, if the executive has left the company by the time of conviction, he or she cannot be barred from federal health programs. These executives are able to move from one company to another and continue to defraud Medicare, seniors, and taxpayers. H.R. 6130 would give the OIG the authority to ban these executives from doing business with Medicare.

- Companies that engage in fraud often set up shell companies to insulate themselves from liability. Criminal settlement negotiations can result in the dissolution of these shell organizations with no real penalty to the parent company. H.R. 6130 gives OIG the authority to exclude these parent companies from the Medicare program.

For the text of H.R. 6130, please visit: <http://go.usa.gov/xZb>

The original co-sponsors of H.R. 6130 include:

Pete Stark (D-CA)
Wally Herger (R-CA)
John Lewis (D-GA)
David Reichert (R-WA)
Earl Blumenauer (D-OR)
Geoff Davis (R-KY)
Linda Sanchez (D-CA)
Charles Boustany (R-LA)
Kendrick Meek (D-FL)
Peter Roskam (R-IL)
Jim McDermott (D-WA)
Sam Johnson (R-TX)
Ron Klein (D-FL)
John Linder (R-GA)
Brian Higgins (D-NY)
John Larson (D-CT)
Bob Etheridge (D-NC)
Earl Pomeroy (D-ND)
Ron Kind (D-WI)

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