

September 13, 2011

The Honorable Patty Murray
448 Russell Senate Office Building
Washington, DC 20510

The Honorable Jeb Hensarling
129 Cannon House Office Building
Washington, DC 20515

Dear Senator Murray and Congressman Hensarling:

Emdeon congratulates you on your appointment to lead the Joint Select Committee on Deficit Reduction (Joint Committee). Without question, our country needs to address the burgeoning budget deficit issues – both in mandatory and discretionary spending. And to that end, we respectfully, direct your attention to the bipartisan efforts to advance comprehensive program integrity for our nation's entitlement programs – the Medicare & Medicaid FAST Act of 2011 (S. 1251). Based on our decades of 'real world' experience in healthcare program integrity, should this legislation be enacted, we believe it would save taxpayers tens of billions of dollars per year.

Illustrating this need, according to the Department of Health & Human Services (HHS) Office of the Inspector General (OIG), in 2006, almost 30% of the claims that Medicare paid for durable medical equipment were incorrect. Even more troubling, from 2000 to 2007, Medicare paid 478,500 claims to dead physicians – for a loss of nearly \$100 million. In full, the National Health Care Anti-Fraud Association estimates that more than \$60 billion is annually lost to fraud nationwide – across all payers.

The Medicare & Medicaid FAST Act rightly acknowledges that the federal government is in the best position to serve as the catalyst for large-scale adoption of common-sense program integrity principles, and that such change is necessary to transform our healthcare delivery system from an outdated 18th Century model to a more efficient 21st Century electronic system. The legislation takes innovative approaches to improve data-sharing, deploy smart technologies to better identify fraud, and implement reforms to help prevent overpayments when errors are identified.

Building on our more than 20 years of commercial and governmental service, Emdeon provides powerful administrative, financial, and clinical communication solutions that connect payers, providers, and patients to improve healthcare

processes. From the first patient encounter to the final resolution of payment, Emdeon transforms these processes through the sharing of healthcare information and the automation of everyday tasks. Emdeon's industry-leading healthcare information network reaches approximately 500,000 physicians, 81,000 dentists, 60,000 pharmacies, 5,000 hospitals and 1,200 commercial and government payers. All told, Emdeon processed approximately 6 billion transactions in the United States in 2010.

This is a critical time for Congress, for healthcare and for our nation. So, we strongly support the work of the Joint Committee, and the Medicare & Medicaid FAST Act of 2011. And we look forward to the prospect of working with you and your colleagues on the Joint Committee to identify these and similar opportunities for the taxpayers of today and tomorrow.

Sincerely,



George Lazenby
Chief Executive Officer
Emdeon