



NEW YORK STATE SENATOR

Vincent L. Leibell

Senator Leibell Named to New Medicaid Fraud Task Force

VINCENT L. LEIBELL February 4, 2010

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**TOUGHER MEDICAID FRAUD EFFORT NEEDED
TO STOP ABUSE AND SAVE TAX DOLLARS
Senator Leibell Named to New Medicaid Fraud Task Force**

Senator Vincent L. Leibell (R-C, Patterson) has been named to a new Task Force on Medicaid Fraud. The goal of this task force is to increase accountability to taxpayers and ensure their tax dollars are being used in the manner intended and not being wasted. Fraud in New York's Medicaid program has been driving up spending and taxes at the state and

local levels.

“Medicaid, while intended to provide care for the elderly and poor, is the fastest-growing and largest single component of state and county budgets. The taxpayers of Putnam, Westchester and Dutchess Counties deserve to know that their hard-earned tax dollars are being spent wisely,” said Senator Leibell. “Medicaid fraud drives up state spending and taxes as well as local property taxes. We must fight fraud aggressively, restore accountability and integrity to the Medicaid program, and ensure that tax dollars are spent wisely to help the people who really need help, not enrich criminals who prey on the system.”

The task force will hold hearings this month in Albany and in Nassau County and issue recommendations prior to the April 1st budget deadline.

“During a time when every single cent counts, we cannot afford to let the possibility of this amount of money fall through the cracks of the system through fraud and abuse. This task force will investigate whether or not the fraud prevention system is working, develop a realistic, comprehensive solution to protect our taxpayers and the people who truly need Medicaid to pay for health care,” continued Senator Leibell.

The U.S. Government Accountability Office estimates that as much as 10 percent of Medicaid expenses are diverted through fraud. The Executive Budget proposes spending a total of more than \$51 billion on Medicaid, meaning as much as \$5 billion could be fraud in the system.

A report last fall by the federal Government Accountability Office (GAO) focused on Medicaid fraud related to prescription medication. The GAO faulted New York for “not having a comprehensive fraud prevention framework to prevent fraud and abuse of controlled substances paid for by Medicaid. The GAO report concluded that the cost associated with Medicaid fraud and abuse of controlled substances may be more than the cost of legal prescription drug purchases covered by Medicaid.