



NEW YORK STATE SENATOR

Thomas F. O'Mara

## O'Mara: Taxpayers deserve 'zero tolerance' policy on Medicaid fraud and waste

THOMAS F. O'MARA June 15, 2017

| ISSUE: **MEDICAID FRAUD**



Putting a stop to Medicaid fraud and mismanagement must remain a priority at every level of government. Medicaid fraud and waste continue to cost state and local taxpayers, and taxpayers across the nation billions of dollars.

**Albany, N.Y., June 15**—The New York State Senate today approved legislation sponsored by Senator Tom O'Mara (R,C,I-Big Flats) to reimburse counties for the cost of purchasing Medicaid fraud detection software that helps pinpoint cases of fraud, waste, and other abuses within New York's Medicaid system.

O'Mara said that the more widespread use of cutting-edge “data-mining” software could save state and local taxpayers hundreds of millions of dollars.

“Putting a stop to Medicaid fraud and mismanagement must remain a priority at every level of government. Medicaid fraud and waste continue to cost state and local taxpayers, and taxpayers across the nation billions upon billions of dollars. Taxpayers deserve a ‘zero tolerance’ policy to combat Medicaid fraud and waste,” said O'Mara, who has long advocated the utilization of data-mining software like that developed by the Horseheads-based **Salient Management Company**. Salient has developed and continued to fine-tune a highly successful data mining software package already used by Chemung and nearly a dozen other counties statewide. The state Health Department and Office of the Medicaid Inspector General (OMIG) has also used the software to uncover significant Medicaid savings at the state level.

Nevertheless, O'Mara would like to see the expanded use of modern fraud detection technology, especially at the local level. His legislation (S.2821/A.4744), sponsored in the Assembly by Assemblyman Phil Palmesano (R,C,I-Corning), would provide state reimbursement to counties for the cost of purchasing the fraud detection technology.

“One of the most effective ways to prevent fraud is to put in place the necessary tools, including cutting-edge technology, to identify it and take steps to stop it. It would be a wise investment and could ultimately prove enormously cost-effective for localities and local taxpayers,” said O'Mara.

State Medicaid inspector generals have stressed the importance of local efforts to help combat and prevent the fraud, waste, and other abuses that continue to plague a system that, according to the latest enrollment figures, provides benefits to over 6.4 million recipients, or nearly one-third of New York's residents. Medicaid now costs approximately \$63 billion, approaching one-half of New York's entire state budget. Reports have projected Medicaid enrollment will rise to almost 6.5 million recipients in 2019 at a state cost alone of

nearly \$25 billion.