Opening Statement by Senator Scott P. Brown

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Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security

U.S. Senate Homeland Security & Governmental Affairs Committee

"Saving Taxpayer Dollars by Curbing Waste and Fraud in Medicaid"

The Supreme Court's decision on the fate of the Patient Protection and Affordable Care Act (PPACA) is expected any day now, that's why I think it is more important than ever to come together in a bipartisan manner to address our nation's most pressing problems like healthcare. I believe a crucial step in maintaining the viability of healthcare programs like Medicaid and Medicare is ensuring that these programs aren't weakened by waste, fraud and abuse. As our nation ages and the economic stagnation continues these healthcare programs continue to put pressure on our nation's already dire fiscal condition. We cannot tax our way to prosperity that is why this morning's hearing on curbing waste, fraud and abuse is so important. We simply can no longer afford the business as usual approach to this problem that has permeated Washington for so long. The reason I came to Washington was to fix these problems and ensure the vitality of these programs that so many of our nations most vulnerable depend on for their health and well being.

This morning we turn our attention to the Medicaid program, which is timely as PPACA expands Medicaid coverage by an estimated 16 million people by 2019 -- a 32 percent increase over the current enrollment in the program. The cost of Medicaid expansion is estimated to exceed $430 billion over the next 10 years. The federal

government is responsible for paying over 90 percent of these increased costs. This is on top of the estimated $404.9 billion Medicaid cost in fiscal year 2010, of which the federal government's share was estimated to be at $271 billion.

Today we will explore what the Center for Medical Services (CMS) is doing to confront the menace of fraud in the Medicaid program. Measuring fraud in Medicaid is difficult but CMS estimates that there were $21.9 billion in improper payments in Medicaid in fiscal year 2011.

I believe Congress for too long has been complicit in the Washington's business as usual culture that tolerates the continuing waste and fraud in these healthcare programs. Congress has a duty to ask when the fraudulent payments will stop and what can be done for State and Federal governments to prevent fraud. I am taking a leadership role in ensuring that Congress upholds its oversight responsibilities to provide comprehensive program integrity to Medicaid. Simply put we need to improve coordination between the federal government and states and we need improve coordination across states. We also need to do a better job of leveraging information technology to prevent fraud and which would provide a meaningful deterrent to potential fraudsters. I know the President and the States share my conviction that we must work together to stamp out fraud in Medicaid – we are all on the same team in this regard.

I came to Washington to work in bipartisan manner to solve the issues Americans care about, I believe members of Congress from both parties agree that the fraud, waste and abuse in Medicare and Medicaid must end. So I extend an invitation to members of Congress from both parties, the Administration and the States to work with me and let's end fraud in Medicare and Medicaid.