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Grassley says Medicare dollars wasted at fake drug stores

by [Matt Kelley](#) on April 6, 2010

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Iowa Senator Chuck Grassley says Medicare dollars are being wasted by the billions by fake drug stores. Grassley, a Republican, is asking the head of U.S. Health and Human Services why the agency that runs Medicare hasn't responded for more than a year to credible information about fraudulent pharmacies that are ripping off Medicare.

Grassley says, "The pharmacies in question included, would you believe it, empty store fronts that successfully billed millions of dollars to private insurers, where they were identified, yet Medicare officials completely ignored the warnings, despite the repetition of those warnings." He says a report from the Inspector General last year detailed the repeated failure of H.H.S. to correct flaws that let Medicare dollars essentially be shoveled into the furnace.

Grassley says, "We have conservative estimates saying that at least \$60 billion in Medicare dollars are lost every year to fraud, waste and abuse." Earlier this year, Grassley introduced legislation called the Strengthening Program Integrity and Accountability in Health Care Act. He says the bill will fight the losses in federal health programs, including Medicare.

Grassley says, "It includes better screening requirements to keep fraudulent providers out of Medicare, as well as a stop-gap to prevent the federal government from paying first and asking questions later about whether claims for payments are legitimate." He says every Medicare dollar that's lost to fraud is a tax dollar wasted that doesn't serve beneficiaries.