



PREVENTING WASTE, FRAUD, AND ABUSE

Reducing waste, fraud, and abuse saves taxpayer dollars and protects the health care investments made by individuals, businesses, and government. Affordable Health Care for America Act strengthens Medicare and Medicaid's existing compliance and enforcement tools. In addition, the new public health insurance option and Health Insurance Exchange contain protections against waste and abuse that build upon the safeguards and best practices gleaned from experience in other programs.

STRENGTHEN MEDICARE AND MEDICAID PROGRAM REQUIREMENTS FOR PROVIDERS, SUPPLIERS, AND CONTRACTORS

- Requires providers and suppliers to adopt compliance programs as a condition for participating in Medicare and Medicaid.
- Requires Medicare and Medicaid integrity contractors that carry out audits and payment reviews to provide annual reports and conduct regular evaluations of effectiveness.

BOLSTER EFFORTS TO FIGHT FRAUD AND AGGRESSIVELY MONITOR MEDICARE AND MEDICAID FOR EVIDENCE OF FRAUD, WASTE, AND ABUSE

- Increases funding for the Health Care Fraud and Abuse Control Fund to fight Medicare and Medicaid fraud. The Congressional Budget Office estimates that every \$1 invested to fight fraud yields approximately \$1.75 in savings.
- Creates a comprehensive Medicare and Medicaid Provider/Supplier Data Bank to conduct oversight of suspect utilization, prescribing patterns, and complex business arrangements that may conceal fraudulent activity.
- Narrows the window for submitting Medicare claims for payment and requires electronic payments in order to decrease the opportunities for "gaming" the system.

IMPROVE SCREENING OF PROVIDERS AND SUPPLIERS

- Creates a national pre-enrollment screening program to determine whether potential providers or suppliers have been excluded from other federal or state programs or have a revoked license in any state.
- Allows enhanced oversight periods or suspended enrollment in program areas determined to be at high risk of fraudulent activity.
- Requires that only Medicare-enrolled physicians can order durable medical equipment or home health services paid for by Medicare, and allow the Administrator of the Centers for Medicare and Medicaid Services (CMS) to adopt similar requirements for other "at-risk" programs.

NEW PENALTIES TO DETER FRAUD AND ABUSE

- Creates new penalties for submitting false data on applications, false claims for payment, or for obstructing audits or investigations related to Medicare or Medicaid.
- Establishes new penalties for Medicare Advantage and Part D plans that violate marketing regulations or submit false bids, rebate reports, or other submissions to CMS.