

ROLL CALL

Gingrich and Frogue: Congress Must Eliminate Fraud

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Congress is kicking off the most significant health care debate in a generation. Everything must be on the table. Our current system is an expensive, frustrating mess where patients and doctors feel increasingly powerless. Doing more of the same but with bigger subsidies will be as effective as the General Motors bailouts.

While there are major partisan divides over how to permanently restructure our health care system, there is one key area where Democrats and Republicans should be working together: fighting health care fraud. Everyone agrees that fraud should be stopped, and most agree that tackling fraud effectively would yield savings well into the tens of billions of dollars annually. Instead of punishing doctors with lower payments and penalizing patients with reduced access, let's cut off the crooks.

Last month, Harvard professor Malcolm Sparrow, author of the seminal "License to Steal," testified to the Senate Judiciary Committee that health care fraud and abuse could amount to as much as \$500 billion annually. Sen. Tom Coburn (R-Okla.), a physician, believes that a full third of all health spending is wasted on defensive medicine, paperwork and outright fraud. Considering that \$2.5 trillion will be spent on health care this year, he is talking about a figure in excess of \$800 billion per year.

FedEx and UPS allow customers to track in real time 23 million moving packages every day at no extra charge. That is the modern world. But when it comes to health care, no state can even tell you how many people its Medicaid program supported in 2008. Miami-Dade County has more licensed home health care agencies than the entire state of California. New York Medicaid recently paid for maternity benefits for 55 men, according to Inspector General Jim Sheehan. There are endless other examples of equal absurdity.

To make serious strides in the fight against fraud, lawmakers can start with the following three steps:

First, immediately make public all Medicare and Medicaid claims data, but only in a manner that vigorously protects patient privacy. Claims data contain all the answers on how health care dollars are spent. This data show in details where the dollars go, what hospitals and facilities perform which procedures in what volume and with what success rate. It also shows infection rates and every other metric imaginable. It would be the single best tool to identify and root out fraud.

Furthermore, an ancillary benefit of releasing claims data is that it reveals which hospital is most likely to kill you. Medicare claims data in the hands of university researchers, for example, has led to superb academic work over the years. The

Dartmouth Atlas of Health Care team led by Dr. Jack Wennberg has found that per capita Medicare spending is inversely correlated with the likelihood of receiving recommended care. As good as these studies like this are, we should not confine the data and therefore all research to a handful of universities. The more broadly we make available the raw data, the more likely we will get new and innovative ways of thinking.

This is safe political common ground. According to a 2008 poll, 98 percent of Americans believe they have the “right to know” cost and quality data about their health care provider. It must be absolutely clear that public release of claims data should only occur after patient identities are safe beyond any doubt. Fortunately, there is long precedent for that as the CMS has released Medicare claims data to university researchers for decades with patient identities safely scrambled by multiple algorithms.

Second, Congress should ensure that Medicare patients with the most extreme outlier claims have access to the newest and best disease management plans. This is to target the less than 1 percent of beneficiaries who are spending up to 20 percent of Medicare’s budget. All too often, these individuals receive uncoordinated, haphazard care from standard Medicare fee-for-service, and it results in their having to endure harmful, unnecessarily expensive interventions that happen too late. Plus, many of these high billing patterns are the result of stolen Medicare ID numbers being used fraudulently. Modern, sophisticated, risk-based disease management plans would do a much better job combating that fraud.

Third, Congress can further crack down on criminals by dramatically expanding the scope, use and distribution of the HHS OIG exclusion list — a list that publicizes those individuals convicted of health care fraud. Law enforcement, particularly in areas like child abuse, is much better at tracking convicts across state lines. Medicare and Medicaid would benefit tremendously from that same level of sensitivity to those with checkered pasts.

Fraud is a destructive tax on Americans in need of health care services. Fortunately, Congress can move decisively with bipartisan backing to eliminate much of that fraud. Done right, savings would be in the 12 figures annually.

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