



*Nothing is politically right
that is morally wrong.*

MISSOURI SENATE
JEFFERSON CITY

*Free and fair discussion
is the firmest friend of truth.*

FOR IMMEDIATE RELEASE

May 12, 2006

Senate Votes to Crack Down on Medicaid Fraud *Senate Sends Several Healthcare Reforms to House for Action*

JEFFERSON CITY— The Senate advanced a comprehensive bill today that cracks down on fraudulent providers and gives patients better care using technology. It also creates a new program that would continue Medicaid coverage for more than 3,000 disabled employees who would like to work, but risk losing their current Medicaid benefits if they do. Majority Floor Leader Charlie Shields, R-St. Joseph, handled the bill and said the Senate worked into the early hours of Friday to advance the measure so the House would have time to approve the bill the final day of session.

"Healthcare is extremely important to the people of Missouri and it is important to the Senate," Shields said. "This is our last opportunity to see these healthcare reforms through this legislative session."

House Bill 1742 initially only created a program expanding Medicaid benefits to disabled employees whose income may prevent them from continuing to receive their healthcare benefits. The Senate added several amendments to the bill to include other healthcare reform efforts that the House has failed to act on before the final day of session.

One amendment stiffens the penalties for Medicaid providers that defraud the system. Sen. Chris Koster, R-Harrisonville, sponsored the amendment based on recommendations from the Senate Special Committee to Investigate Medicaid Fraud created earlier this year.

Many experts believe as much as \$575 million of taxpayer money is stolen from the Medicaid system each year due to fraud committed by medical providers who participate in the state-funded healthcare program. Examples of common fraud include overstating the number of hours devoted to Medicaid recipients, billing Medicaid multiple times for the same service or for prescriptions that the patients never ordered.

"I can think of no crime more disgusting than stealing from the poor," Koster said. "By disciplining those who do not play by the rules, we can make sure Medicaid is used for its intended purposes, and not to further line the pockets of corrupt Medicaid kingpins."

-MORE-

Farrah Fite, Senate Majority Caucus Communications Director
(573) 751-1562
ffite@senate.mo.gov

The measure increases the crime of fraud to a felony and requires those convicted a second time of provider fraud to serve at least 85 percent of their sentence before they are eligible for parole. It also bans perpetrators from participating in the state program for 10 years.

Another provision creates the Healthcare Technology Fund to be used to bring Missouri's healthcare services into the 21st century by investing in electronic medical records, e-prescribing, telemedicine and tele-monitoring.

Senate President Pro Tem Michael R. Gibbons, R-Kirkwood, said the transition is important because paper kills.

"The Institute of Medicine says up to 98,000 people die each year because of errors in paper medical records and that is an outrage," Gibbons said. "Electronic medical records and e-prescribing will save lives and save money."

Lawmakers voted to dedicate \$25 million to the fund in the state budget that was passed last week. The fund is also earmarked to pay for a program in the Department of Health and Senior Services to create a statewide electronic immunization record in preparation for the possibility of a pandemic flu.

The bill has an emergency clause which means it would take affect immediately upon Gov. Blunt's signature. The bill now moves to the House where they have until 6 p.m., today, Friday, May 12, to act on it.

###