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**BAUCUS, NELSON CONDEMN MASSIVE MEDICARE FRAUD**  
*Medical suppliers caught with doors closed, ripping off seniors, Federal government*

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) and Senator Bill Nelson (D-Fla.) reacted sharply today to news of widespread fraud among companies claiming to supply medical devices to America’s seniors. An investigation by the Inspector General at the Department of Health and Human Services found that a significant percentage of suppliers of devices such as prosthetic limbs, wheelchairs, and walkers were not operating at all at their advertised addresses, but they may have billed Medicare for millions of dollars in reimbursement. The problem was particularly prevalent in South Florida, where 31 percent of providers reviewed in three counties either had no actual facilities or weren’t open for business when investigators stopped by. Baucus and Nelson condemned the fraud, and called on the Centers for Medicare and Medicaid Services to tighten their rules and crack down.

**“There’s no way that medical suppliers are properly serving seniors if they can’t even be found. Not another penny of Medicare money should go to support this kind of fraud,”** said Baucus. **“I have serious questions about whether CMS has the right rules in place to approve and monitor medical suppliers. They need to take the inspector general’s advice and move immediately to tighten up their oversight, or the Finance Committee will exercise its jurisdiction to make sure that they do.”**

Nelson agreed legislative action may be needed, saying there’s clearly not enough being done by CMS to keep scam artists from taking advantage of the system and taxpayers. **“Any abuse is unacceptable, but this is outrageous,”** said Nelson.

Health and Human Services investigators visited more than 1,500 durable medical equipment suppliers in south Florida, and more than 150 more in a nationwide review. The results of their investigation can be found in three reports posted at <http://www.oig.hhs.gov/w-new.html>.

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