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October 24, 2019

Wyden Statement at Finance Committee Hearing on Substance Abuse Treatment
As Prepared for Delivery

Today's hearing will spotlight the pitfalls people face when they try to find quality treatment for a substance use disorder. A person battling this disease is often jostled around from one end of the health care system to the other. The last thing they need is another obstacle – rip-off artists, empty promises or outright abuse – when they are just trying to get better.

Too often, people travel across the country expecting to arrive at a legitimate treatment facility only to find that they have fallen prey to a scheme whose goal is to drain their bank account and bilk their insurance for everything it's worth.

In some instances, these unscrupulous operators lure would-be patients by paying for plane tickets and promising free rent. Once they arrive, these patients may receive sub-standard care or no care at all. But the fraudsters are still billing insurers for health care services that may have never been performed.

One of the biggest problems involves facilities that allegedly treat substance use disorders but are actually set up to defraud taxpayers. These fraudsters illegally recruit patients using bribes and kickbacks, and then bilk taxpayers by billing the patient's health plan for medically unnecessary drug tests. Schemes like these, which our witnesses will detail this morning, cost Medicare, Medicaid and private insurance hundreds of millions every year.

Just this month, six people operating a network of fraudulent treatment centers in Ohio pled guilty to submitting 130,000 Medicaid claims that totaled more than \$48 million for medically-assisted treatment and other services that were never legitimately provided.

Part of the reason this type of fraud is so common is because there is no way for a patient or their family to learn about the quality of a treatment facility before they enroll. Today the committee will hear from an organization that is working to change that. Shatterproof is currently developing public databases in multiple states that, if successful, will allow the public to identify, evaluate and compare substance use treatment programs. This kind of database and transparency is the type of information families need to find quality treatment and avoid sham operators trying to make a quick buck.

One final point. The recent court settlements in multiple states with drug makers and wholesale distributors demonstrate that states and communities may be on the cusp of receiving tens of billions of dollars from the companies that helped seed this epidemic. A sum of that size will almost certainly be a magnet for fraud. This hearing will highlight the need to make sure rules of the road and vigorous oversight are in place to ensure those dollars go to proper care that will help heal this national crisis.

I thank the witnesses for joining the committee this morning. This is an opportunity for bipartisan progress on health care, so let's get to work.

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