

Remarks on Efforts To Combat Medicare Fraud

December 7, 1998

Thank you. I would like to welcome you all here today and thank Margaret Dixon for those fine remarks. I thank Deborah Briceland-Betts for representing the Older Women's League so well, and Nancy-Ann Min DeParle for the great job she does as our HCFA Administrator. I welcome our friend George Kourpias and representatives from the National Council of Senior Citizens.

And I want to say a special word of appreciation to Senator Tom Harkin, who has been on top of this issue for a very, very long time, and has long needed more support from administrations. And we certainly tried to give him ours, but he has been a real trailblazer, and we thank him.

I'd like to also thank, as others have, the HHS and especially June Gibbs Brown, the Inspector General, and Mike Mangano, the Deputy Inspector General, who is here today.

I'd also like to say one other word about Senator Gore, Sr., who was mentioned by Nancy-Ann. Al Gore, Sr., was a leader in the development and the passage of the original Medicare bill over 30 years ago. And that is one of the many, many things we remember him for at this time of his passing.

For more than 30 years now, Medicare has been more than a Government program. It has been a way that we could honor our obligations to our parents and our grandparents, an expression of the old profound American belief that the bonds of mutual love and support among the generations must remain strong. Any threat, therefore, to the integrity of Medicare is a threat to these bonds. And that is one of the main reasons that our administration has worked so hard to strengthen Medicare.

The balanced budget bill I signed last year extended the life of the Medicare Trust Fund for a decade. We also established a commission currently working to help Medicare meet the needs of the baby boom generation and the rising costs that inevitably come as we all live longer and longer and require more health care.

It is a troubling financial problem, but as a social matter it is a happy challenge. It is what I would call a high-class problem that we are all living longer and longer. But it does present

us with certain real challenges which we have to face. And I look forward to getting the report from Senator Breaux and the Medicare Commission and to working on a bipartisan basis with the next Congress to resolve this important matter.

Today I'm announcing additional steps to strengthen Medicare by fighting the threat of Medicare fraud. Every year, Medicare is cheated out of billions of dollars, money that translates into higher taxes on working Americans, higher copayments in premiums for elderly Medicare recipients. This has become, as I said, especially significant as we grow older and more and more of us become eligible for Medicare.

I'm proud of what we have already done to fight fraud and abuse and waste. Since 1993 we've assigned more Federal prosecutors and FBI agents to fight health care fraud. We've increased prosecutions by over 60 percent, convictions by 240 percent, saved \$20 billion in health care claims. Money that would have lined the pockets of scam artists now is helping to preserve the Medicare Trust Fund and to provide high-quality, affordable health care.

But there is still more we can do. The private sector health care contractors that are responsible for fighting waste, fraud, and abuse too often are not living up to their responsibilities. We recently learned that one-fourth of those contractors have never reported a single case of fraud, even though the Inspector General is quite certain that fraud is pervasive in this area.

Therefore, we are using new authority we fought for to create new weapons in the fight against fraud. Beginning this spring we will empower new specialized contractors, Medicare fraud hunters, who will focus on waste, fraud, and abuse. These new fraud hunters, by tracking down scams and waste, can bring real savings to Medicare and strengthen the system for the 21st century.

I'm also requiring all Medicare contractors to notify the Government immediately when they learn of any evidence of fraud, so that we can detect patterns of fraud quickly and take swift action to stop them. And I'm asking HCFA to

report back to me early next year with a comprehensive plan to fight waste, fraud, and abuse further in the Medicare program.

In the fight against Medicare fraud, Congress must also do its part. And I am encouraged by the bipartisan oversight hearings being held in Chicago this week by Senators Collins and Durbin. When it returns next year, I'll ask Congress to pass legislation that can save Medicare another \$2 billion over the next 5 years: First, legislation that will allow us to empower our new fraud hunters to spot overpayments and keep crooked medical service providers from getting into the Medicare system to start with.

Second, the legislation will allow Medicare to pay much lower rates for prescription medications. Under current law, Medicare loses hundreds of millions of dollars each year by paying as much as 10 times more than the private sector does for certain drugs. It's just wrong.

Third, the legislation will force private insurers to pay claims that they are legally responsible for, so that Medicare does not get stuck with the bill. This happens more often than you would think.

Fourth, legislation will allow us to crack down on medical providers, particularly those claiming

to deliver mental health care, who bill for services they never, in fact, provide, a large and unfortunately, growing problem, according to our recent reports.

By passing these commonsense measures to fight Medicare waste and fraud, Congress can do more than help save taxpayers' money. It can demonstrate a bipartisan desire to preserve and strengthen Medicare for the future. If we take these actions now, we can help to assure that the system that has served our parents and grandparents so well will be there to serve our children and grandchildren well into the 21st century.

Thanks to the advocates who are here—Senator Harkin and others—I'm confident that is exactly what we will do next year.

Thank you very much, and happy holidays.

NOTE: The President spoke at 12:50 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Margaret Dixon, immediate past president, American Association of Retired Persons; Deborah Briceland-Betts, executive director, Older Women's League; and George J. Kourpias, president, National Council of Senior Citizens.

Statement on International Maritime Organization Action To Protect the Northern Right Whale

December 7, 1998

Today's vote by the International Maritime Organization (IMO) to strengthen protections for the northern right whale is a vital step to ensure the survival of these majestic but endangered creatures.

Like many other marine mammals, the northern right whale once was hunted nearly to extinction. The 300 or so that survive spend much of the year in waters off Cape Cod and off the Georgia and Florida coasts. Biologists believe the greatest human threat they face today is collisions with large ships.

In April I instructed our representatives to the IMO to seek strong measures to address

this threat. Under our proposal, approved unanimously today by the IMO, commercial ships entering the whale's calving and feeding grounds will be required to report by radio to the U.S. Coast Guard, which will relay back the latest information on the whales' locations and advice on avoiding collisions.

Today's action by the IMO demonstrates once again that through international cooperation we can restore and protect our precious oceans and the magnificent diversity of life they sustain.