



NEW YORK STATE SENATOR

Thomas F. O'Mara

O'Mara legislation seeks to combat Medicaid fraud, other abuses

THOMAS F. O'MARA April 28, 2011

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Albany, N.Y., April 28—State Senator Tom O’Mara (R-C, Big Flats) is sponsoring legislation in the Senate (S.4614) to reimburse counties for the cost of purchasing cutting-edge computer software that could help pinpoint cases of Medicaid fraud and other abuses of the system and potentially save state and local taxpayers hundreds of millions of dollars.

“Governor Cuomo has zeroed in on the need to control Medicaid spending as the number one way to address New York’s highest-in-the-nation tax burden. This year’s state budget took important steps, but we need to keep going,” said O’Mara, a long-time Medicaid reform advocate. “We need a ‘zero tolerance’ policy to combat the millions upon millions, if not billions of taxpayer dollars lost to Medicaid fraud and abuse. One of the most effective ways to prevent fraud is to give localities the necessary tools, including cutting-edge technology, to identify it and take steps to stop it. It would be a wise investment and could ultimately prove enormously cost-effective for the state to encourage its use.”

O’Mara has strongly supported cutting-edge, data mining computer software like that developed by the Horseheads-based **Salient Corporation**. Salient has developed and continued to fine-tune a computer software package, already successfully used by Chemung and nearly a dozen other counties statewide, as

well as the state [Office of the Medicaid Inspector General \(OMIG\)](#), that numerous officials believe could point the way to hundreds of millions and potentially billions of dollars in Medicaid fraud and waste prevention at the state level.

O'Mara highlighted a new *USA Today* analysis being reported this week that New York has the nation's most expensive Medicaid program. The analysis revealed that New York spent \$2,903 per person on Medicaid last year, or one-third more than any other state. The national average was \$1,364.

Prior to his election to the Senate last fall, O'Mara served as a state assemblyman for three consecutive terms and chaired the Assembly Republican Task Force on Medicaid Waste, Fraud and Abuse. The task force examined strategies to combat what some fiscal watchdogs have said could potentially be billions of taxpayer dollars being lost to abuse, fraud, and waste in New York's more than \$50-billion Medicaid system.

"We need to stay focused on putting a stop to the overutilization, mismanagement and, regrettably, scams and rip-offs that continue to plague New York's system of Medicaid. That needs to remain a fundamental priority," O'Mara said.

A report issued last year by the U.S. Department of Health and Human Services ranked New York 26th in the nation in Medicaid fraud recovery. According to the report, states such as Missouri and North Carolina recover about three times as much in Medicaid fraud, while six other states recover twice as much as New York.

O'Mara is supportive of additional fraud prevention actions and safeguards. Despite the fact that they are on the front lines of the Medicaid program, the 2009-10 state budget enacted by former Governor David Paterson and the Democratic leaders of the Legislature eliminated the eligibility requirements for face-to-face interviews, finger-imaging and asset tests for applicants for Medicaid that were previously conducted by counties. The interviews were intended to ensure accountability in the system. In addition to restoring those safeguards, O'Mara also co-sponsors legislation to require potential public assistance recipients to pass a drug test.

Read more [here](#), and [here](#). [And watch a recent report on the use of data-mining technology.](#)

[See attached article below from the April 28th *Corning Leader*, and the accompanying April 29th *Leader* editorial]