



NEW YORK STATE SENATOR

Frank Padavan

Senator Padavan Calls On Medicaid Inspector General to Crackdown on Medicaid Fraud

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Senator Frank Padavan today called on Medicaid Inspector General James G. Sheehan to take immediate action to recover the tens of millions of dollars New York State is losing each year because of former residents who remain enrolled in the State's Medicaid system and continue to receive benefits despite having left the State.

According to news reports about an audit by the New York State Comptroller's Office, nearly 30,000 people in New York City alone were improperly enrolled in the State's Medicaid system between November 2006 and November 2007. While the audit shows that almost 13,000 former New York City residents should have been investigated for violations of the State's Medicaid laws, only 207 cases were investigated.

"When it was uncovered that billions of dollars were lost due to fraud within the Medicaid system, my Senate Majority colleagues and I lead the fight and successfully instituted comprehensive legislation that made New York the national leader in combating fraud, waste and abuse in the Medicaid system," Padavan said. "In light of the recent and startling discovery by the Comptroller that thousands of former New Yorkers are bilking and ripping off hard working New York taxpayers, I am calling for the Medicaid Inspector General to immediately and swiftly investigate each individual instance of fraud mentioned in this

audit, aggressively recoup the millions of state tax dollars lost and prosecute the individuals involved to the fullest extent of the law.”

“New York State is facing difficult economic times, and we cannot tolerate waste, fraud and abuse of our tax dollars. The shocking discoveries made by the Comptroller’s office should be investigated immediately,” said Senate Majority Leader Dean G. Skelos. “The Senate Majority pushed for the creation of the Medicaid Inspector General to crack down on fraud and abuse that drove up the cost of the Medicaid program. Those who commit Medicaid fraud are stealing from every taxpayer. I urge Medicaid Inspector General Sheehan to investigate and crack down on these thieves immediately and recover the money for the taxpayers.”

Years of abuse and fraud contributed to the increasing cost of Medicaid, leading to the creation of the Senate-initiated Office of the Inspector General in 2006. The independent office consolidated staff and resources from six agencies into one new office within the Department of Health. The Office has three main functions: compliance, investigation, and recoupment/sanctions.

New York State’s Medicaid program serves over 3.6 million people. State law mandates that recipients live in New York State in order to receive the benefits. If they leave and enroll in another state’s program, they are no longer eligible to receive benefits from New York State.

“This blatant abuse of New York State’s Medicaid system is costing New York State millions of dollars, possibly even more each year,” said Senator Padavan. “Medicaid Inspector General Sheehan owes it to the taxpayers to fix this outrageous abuse as soon as possible.”