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EDITORIAL: Bleeding money

BYLINE: The Frederick News-Post, Md.

Nov. 16--According to an Associated Press story published in last Saturday's edition of The Frederick News-Post, an Eastern Shore cardiologist was sentenced to eight years in prison for defrauding Medicare, Medicaid and private insurers.

Dr. John McLean was also ordered to repay Medicare and other insurers the \$580,000 he billed them for implanting heart stents in patients who didn't need the procedure -- which is both costly and risky, according to AP.

With all the dire talk about the future of Medicare and Medicaid, we wondered just how big a problem the "waste, fraud and abuse" issue is. Well, hold on to your hats -- and wallets -- because according to congressional testimony earlier this year by Michael F. Cannon, the Cato Institute's director of health policy studies, it's gargantuan.

When one doctor can rip off the system for more than half a million bucks, and there are hundreds of thousands of providers of all kinds -- doctors, hospitals, clinics, equipment/device suppliers -- even a small percentage of bad eggs can run up a huge illicit bill.

We understand that waste, fraud and abuse are not the only ailments these medical entitlement programs are suffering from, but they are certainly a worrisome part of the diagnosis.

So just how big is this number? Cannon: "Medicare and Medicaid are rife with fraud and other types of improper payments. The Centers for Medicare and Medicaid Services estimates that Medicare made at least \$48 billion in improper payments in 2010."

One year, one program, \$48 billion -- almost 10 percent of all Medicare spending. Not all of this is outright stealing, of course. Improper billing of one kind or another accounts for a lot of it, too. But whatever the cause, Medicare is spending a fortune needlessly -- and taxpayers are picking up the tab.

We understand that nabbing all the crooks and uncovering all the improper billing are huge, complicated undertakings, but the magnitude of these losses is staggering and calls for whatever it takes to stop the flow of these ill-gotten gains.

Medicare is characterized as unsustainable, and there are a number of forces at work hastening its doom. Waste, fraud and abuse are the most infuriating. Poor program design and bureaucratic mismanagement is one thing -- theft, fraud and deliberate abuse for financial gain is another.

Is it any wonder why so many Americans are skeptical and pessimistic about the future of big, expensive government programs such as Medicare? First things first: Do whatever it takes to scotch this unconscionable loss of public money.

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