

Amendment 3556 – Reduces health care costs by preventing fraudulent payments for prescription drugs, prohibits coverage of erectile dysfunction drugs to child molesters and rapists, and excludes coverage of abortion drugs.

This amendment would save taxpayers tens of millions of dollars a year by preventing payments for fraudulent prescriptions by Medicaid and prohibiting coverage of unnecessary drugs—such as RU-486 and other abortion drugs as well as Viagra and other erectile dysfunction drugs for those convicted of rape, child molestation and sexual assault—in the new health care exchanges.

These cost saving provisions will save taxpayers' money and ensure more resources are available to provide medically necessary care to patients.

Taxpayers Billed Tens Of Millions Of Dollars For Fraudulent Prescriptions Every Year

A Government Accountability Office (GAO) audit of Medicaid found about 65,000 instances of improper prescriptions costing about \$65 million over a two year period — including thousands of prescriptions written for dead patients or by people posing as doctors.¹ The audit focused on 10 types of frequently abused prescription drugs in just five states, which means the cost and scope of this problem are likely to be far greater.

The GAO found:

- About 65,000 cases where Medicaid beneficiaries visited multiple doctors and pharmacies to receive prescription drugs that exceeded the legal limit.
- Sixty-five doctors or pharmacists banned from Medicaid writing or filling prescriptions or illegally selling drugs.
- About 1,800 prescriptions written for dead patients and 1,200 prescriptions “written” by dead physicians.

¹ Kathy Kiely. “GAO report: Millions in fraud, drug abuse clogs Medicaid,” USA Today, September 29, 2009, http://www.usatoday.com/news/health/2009-09-29-Medicaid-drug-abuse-fraud-Michael-Jackson_N.htm .

This amendment would direct the Centers for Medicare and Medicaid Services (CMS) to enact the GAO recommendations to prevent and eliminate these fraudulent prescriptions.

Specifically, the amendment would direct CMS to establish a fraud prevention system for the Medicaid program and issue guidance for states to:

- (1) prevent the processing of claims of all prescribing providers and dispensing pharmacies debarred from federal contracts or excluded from the Medicare and Medicaid programs;
- (2) ensure that drug utilization review (DUR) and restricted recipient program requirements adequately identify and prevent doctor “shopping” and other abuses of controlled substances;
- (3) develop a claims processing system to identify both duplicate enrollments and deaths of Medicaid beneficiaries and prevent the approval of fraudulent claims; and
- (4) develop a claims processing systems to identify deaths of Medicaid providers and prevent the approval of fraudulent claims filed using the identity of such providers.

Federal Health Program Provided Hundreds Of Convicted Child Molesters, Rapists, And Sex Offenders With Taxpayer Funded Impotence Drugs

For years, the federal government had required states to provide prescriptions for Viagra and other impotence drugs to Medicaid patients, including to convicted sex offenders.

States had provided the coverage based upon a 1998 letter from the Clinton Administration that said “Medicaid had to cover Viagra,” according to Matt Salo, a staff member of the National Governors Association.²

² “14 states provided sex offender Viagra; not Wisconsin,” Associated Press, May 28, 2005, http://www.usatoday.com/news/nation/2005-05-28-viagra-medicare_x.htm.

As a result, hundreds of convicted rapists and child molesters had been provided with taxpayer funded prescriptions for impotence drugs until the Centers for Medicare and Medicaid Services ordered state agencies to stop offering the drugs to sex offenders in May 2005.³

Nearly 800 convicted sex offenders in 14 states received Medicaid-funded prescriptions for impotence drugs, according to a 2005 survey by the Associated Press.⁴

The predators' victims have been as young as 2 years old.⁵

The states that provided registered sex offenders with subsidized impotence drugs are:

Florida, 218 cases;
New York, 198;
Texas, 191;
New Jersey, 55;
Virginia, 52;
Missouri, 26;
Kansas, 14;
Ohio, 13;
Michigan, seven;
Maine, five;
Georgia, three;
Montana, three;
Alabama, two; and
North Dakota, one.⁶

This amendment would prohibit the new health care exchanges from providing coverage of Viagra and other erectile dysfunction drugs to convicted child molesters and rapists.

³ Lisa Bacon. "States Ending Payments for Sex Offenders' Erectile Treatments," The New York Times, May 28, 2005, <http://www.nytimes.com/2005/05/28/national/28drug.html> .

⁴ "14 states provided sex offender Viagra; not Wisconsin," Associated Press, May 28, 2005, http://www.usatoday.com/news/nation/2005-05-28-viagra-medicare_x.htm .

⁵ "The Viagra mess: Medicaid dysfunction," The Pittsburgh Tribune-Review, May 31, 2005, http://www.pittsburghlive.com/x/pittsburghtrib/s_338570.html .

⁶ "14 states provided sex offender Viagra; not Wisconsin," Associated Press, May 28, 2005, http://www.usatoday.com/news/nation/2005-05-28-viagra-medicare_x.htm .

Abortion Drugs Can Be Provided For Non-medical Purposes By The Health Care Exchanges Created Under The New Health Care Program

There is no prohibition on abortion coverage in federally subsidized plans participating in the new health care exchange.

This amendment would ban the new health care exchanges from providing coverage of drugs for elective abortions.⁷

Elective abortions are not health care and do nothing to improve or protect the health of patients.

Health care dollars should not be diverted from medically necessary care to pay the costs of an elective medical procedure or an unnecessary drug. This is especially true for abortion which ends a life and is abhorrent to most Americans, who will be subsidizing the health care exchanges.

The cost of an abortion pill costs more than the average cost of a doctor's visit.

According to Planned Parenthood, the nation's largest abortion provider, an abortion pill regimen costs \$350 to \$650.⁸

The average expense for a physician's office visit was \$155, according to the Agency for Healthcare Research and Quality. The average varies by type of physician. For primary care physicians—general practice, family medicine, internal medicine and pediatric physicians—the average was about \$100, which was less than half the \$232 average cost of visiting a cardiologist, the \$210 average cost of seeing an orthopedist, or the \$206 average cost of seeing an ophthalmologist.⁹

⁷ In accordance with the Hyde language, exceptions for abortion pill coverage are allowed in cases of rape, incest, and when the life of a woman is in danger.

⁸ "The Abortion Pill (Medication Abortion)," Planned Parenthood Federation of America website, accessed March 23, 2010, <http://www.plannedparenthood.org/health-topics/abortion/abortion-pill-medication-abortion-4354.htm> .

⁹ "Primary Care Doctors Account for Nearly Half of Physician Visits but Less Than One-Third of Expenses," Agency for Healthcare Research and Quality News and Numbers, April 25, 2007, <http://www.ahrq.gov/news/nn/nn042507.htm> .

One in four Americans said someone in their family put off needed health care in the past year because of cost, including 16 percent who postponed surgery or a doctor's visit for chronic illness, according to a recent Kaiser Family Foundation poll survey.¹⁰

When many Americans are struggling to afford basic doctor for medically necessary care, taxpayers should not be forced to subsidize abortion pills provided by health care exchanges.

¹⁰ "Survey: 1 in 4 put off seeing doctor due to cost," Associated Press, February 26, 2009, http://www.usatoday.com/news/health/2009-02-26-poll-costs_N.htm .