

COLORADO MEDICAID RECOVERS \$264 MILLION THROUGH FRAUD, WASTE AND ABUSE DETECTION EFFORTS

FOR IMMEDIATE RELEASE

December 16, 2009

Contact:

Joanne Lindsay

303-866-3144

303-877-2651

Joanne.Lindsay@state.co.us

DENVER – December 16, 2009 – The Department of Health Care Policy and Financing announced today that Colorado Medicaid has recovered \$264 million through aggressive recovery and best pricing activities from July 2007 through June 2009.

Colorado Medicaid has a team responsible for assuring that Medicaid payments to providers are accurate and that Medicaid is the payor of last resort when clients have access to third-party funds, private insurance or Medicare. The department monitors all providers for appropriate use of the federal and state funds used to provide services to Medicaid clients. Post-payment reviews are conducted to identify fraud, waste and abuse and to recover identified overpayments. Any suspected fraud is referred to the Medicaid Fraud Control Unit in the Department of Law for criminal investigation and prosecution.

The department aggressively pursues funds to which it is entitled under state and federal law and regulation. This includes cost settlements with hospitals, and estate and trust recoveries from clients. The department also seeks and collects drug rebates from manufacturers participating in the Federal Drug Rebate Program ensuring that Medicaid pays the best price for drugs and avoids waste. Drug rebates alone account for \$150 million in recoveries from July 2007 though June 2009.

Colorado's demonstrated success in monitoring Medicaid provider fraud, waste and abuse has been recognized by the federal government. Colorado has been selected by the federal government to participate in a matching project that identifies provider fraud and improves the efficiency of recoveries by matching Medicare and Medicaid paid claims data.

"Recovering dollars that belong to the state is an important cost-containment activity," says Joan Henneberry, executive director. "In order to improve the quality of health care, increase access to care and improve the health of our clients, we need to spend dollars wisely; and that means collecting money that is owed to the state."

About the Colorado Department of Health Care Policy and Financing: The department administers the Medicaid and Child Health Plan *Plus* programs as well as a variety of other programs for Colorado's low-income, elderly and people with disabilities. The mission of the department is to improve access to cost-effective, quality health care services for Coloradans. For more information, please visit Colorado.gov/hcpf.