



Thomas A. Schatz
President

June 11, 2013

U.S. House of Representatives
Washington, D.C. 20515

Dear Representative,

Reps. Peter Roskam (R-Ill.) and John Carney (D-Del.) have introduced H.R. 2305, the Preventing and Reducing Improper Medicare and Medicaid Expenditures (PRIME) Act. On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I urge you to support this legislation.

Each year, Americans lose tens of billions of their hard-earned tax dollars to Medicare and Medicaid waste, fraud, and abuse. According to a February 27, 2013 Government Accountability Office report, "In 2012, the Medicare program covered more than 49 million elderly and disabled beneficiaries at an estimated cost of \$555 billion, and reported improper payments estimated to be more than \$44 billion." These figures are just the tip of the iceberg and do not include the countless, undocumented occurrences of theft carried out by organized crime rings aimed at defrauding Medicare, the stealing and selling of beneficiary numbers on the black market, and the creation of front groups and fake doctors' offices that cheat the system at the taxpayers' expense.

In addition to other reforms, H.R. 2305 would require valid national provider identifiers of prescribers on pharmacy claims, strengthen the penalties for the intentional distribution of beneficiary identification numbers, and require CMS to address vulnerabilities identified by its recovery audit contractors. These reforms target the root of the problem and are an important step toward mitigating the egregious abuse of Medicare and Medicaid.

The PRIME Act lays out commonsense solutions to rein in system abuses and protect taxpayers from having their Medicare and Medicaid funds pillaged. I urge you to support this important legislation. With a \$16.8 trillion national debt, lawmakers can no longer afford to ignore ballooning entitlement costs. All votes on the H.R. 2305 will be among those considered in CCAGW's 2013 *Congressional Ratings*.

Sincerely,