



The Centers for Medicare and Medicaid Services estimated that in 2010, over \$65 billion dollars in improper federal payments were made through both the Medicare and Medicaid programs. An April 2012 study published in the Journal of the American Medical Association estimated that fraud and abuse cost Medicare and Medicaid as much as \$98 billion dollars in 2011. Despite these good faith estimates, the true cost of fraud and abuse in health care remains unknown. However, one point is certain: the financial impact of waste, fraud and abuse threatens the very existence of the Medicare and Medicaid programs.

If we are to ever curb fraud within the Medicare system, we need to verify those who are approved to provide services, validate those who are authorized to receive benefits, and prevent those who are unauthorized from ever entering the system.

Upgrade the Card

Secure the card, save Medicare.

Strong, multi-factor authentication, such as used by Chip-and-PIN cards or Chip-and-Biometric (fingerprint) cards could easily replace current insurance and benefit cards, protecting Americans against the health and financial consequences of medical identity theft.

Authenticating Medicare beneficiaries and providers and requiring the use of secure personalized credentials will reduce fraud by:

- Verifying beneficiaries are authorized to receive prescribed services and pharmaceuticals or equipment;
- Verifying providers are authorized to provide those services and bill Medicare;
- Verifying suppliers, such as durable medical equipment (DME) vendors, are authorized to provide products and/or services and bill Medicare
- Preventing imposters from posing as beneficiaries or providers, thereby thwarting fraudulent transactions; and
- Verifying and coding each transaction to prevent phantom billing, processing errors and DME abuse.

Further, an upgraded Medicare card would protect beneficiary's privacy by taking their Social Security number off the front of the Medicare card, and locking it securely within the card's onboard computer chip – an important step in helping to rein in identity theft.

A Pilot Program To Reduce Fraud

The Medicare Common Access Card Act ([H.R. 3024](#)) creates a pilot program to start modernizing the current Medicare card to a smart card based on established, non-proprietary government standards. This much needed upgrade to the Medicare card will achieve two very important tasks: it will eliminate the Social Security number from the front of the card, and it will reduce fraud within the Medicare system. In addition it will assist in matching beneficiaries to the correct medical record, eliminating medical errors and saving lives. Industry estimates such a smart card program could reduce Medicare fraud by over *fifty* percent, a taxpayer cost savings of over \$30 billion per year.

Support the Medicare Common Access Card Act HR. 3024 Today and Save Medicare For Tomorrow.



- [How it Works](#)
- [Q&A](#)
- [Medicare Common Access Card Pilot](#)