United States Senate

WASHINGTON, DC 20510

COMMITTEES:
APPROPRIATIONS
COMMERCE
HEALTH, EDUCATION,
LABOR, AND PENSIONS

October 20, 2023

The Honorable Chiquita Brooks La-Sure Administrator Centers for Medicare and Medicaid Services 7500 Security Boulevard Baltimore, MD 21244

Dear Administrator Brooks La-Sure:

Thank you for the Centers for Medicare and Medicaid Services (CMS) continued efforts to prevent the spread of COVID-19 and your work to protect Wisconsin's seniors. I write to express my serious concerns regarding the experiences of Wisconsin retirees who have reported numerous unrequested and unreceived COVID-19 test kits on their Medicare statements, or have been solicited for fake COVID-19 tests. I recognize that the agency is working with the Department of Justice (DOJ) and investigating fraud and waste pertaining to the distribution of COVID-19 tests, however, seniors in Wisconsin are concerned that their health information has been compromised. I respectfully request that CMS be as transparent and communicative as possible with providers and beneficiaries to bolster public awareness and make clear that CMS is doing its job.

In April 2021, CMS launched a demonstration program that covered and paid for up to eight over-the-counter (OTC) COVID-19 tests for people with Medicare Part B. Eligible Medicare beneficiaries could get these OTC tests at no cost from eligible participating providers, including physicians, hospitals, and Federally Qualified Health Centers (FQHCs). Furthermore, the cost of these OTC tests did not apply to their annual deductible, coinsurance, and copayments. The OTC COVID-19 test demonstration ended in conjunction with the Public Health Emergency on May 11, 2023. In total, the program distributed millions of tests directly to Medicare beneficiaries and their families.¹

Unfortunately, since the suspension of the OTC program, I have heard from several constituents who have either received unsolicited COVID-19 tests or noticed additional charges on their bills for tests they never requested. In July of 2023, *The Los Angeles Times* reported on a physician illegally stealing Medicare ID numbers to order unwanted COVID-19 tests, leading to "\$8.4 million in fraudulent Medicare Claims" across the country.² The investigation revealed that hundreds of thousands of unwanted tests were sent out to seniors in at least 10 different states.³

¹ <u>https://www.cms.gov/covidotctestsprovider</u>

² <u>https://www.latimes.com/california/story/2023-07-24/are-you-getting-billed-for-covid-19-tests-you-didnt-order-heres-what-you-need-to-know</u>

³ https://news.bloomberglaw.com/health-law-and-business/doj-probing-covid-test-fraud-including-kits-sent-to-dead-people

CMS must continue to protect the integrity of Medicare by rooting out waste, fraud, and abuse like these scams.

At the same time, it is my understanding that a delayed provider billing issue is occurring alongside instances of fraud and may be contributing to inflated reports of Medicare scams. While there may be two separate issues occurring here, I am concerned by the lack of information being shared with beneficiaries, who closely monitor their bills and statements, and their providers. When a Medicare beneficiary sees a charge that they do not recognize, they have the right to be concerned. It is CMS's duty to provide them with information and to ensure that their benefits and health information are protected. I urge CMS to take this issue seriously, given the significant uptick in the amount of fraud being investigated and wide potential for seniors to be taken advantage of. I am committed to protecting the strength of the Medicare program by rooting out fraud and abuse. I believe it is critical that the agency provides clarity and information regarding both situations so that providers and beneficiaries can make informed decisions going forward.

I specifically request CMS respond with information on how the agency is making clear the distinction of issues to beneficiary and providers, and what steps will be taken to prevent ongoing issues of fraud in the distribution of COVID-19 tests.

Sincerely,

Jamy Baldi

Tammy Baldwin
United States Senator