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State Comptroller's Office anti-fraud efforts recovered more than \$100 million for Medicaid program in past fiscal year

The Office of the State Comptroller (OSC) recovered for taxpayers more than \$116 million in improperly paid Medicaid funds during the past fiscal year, State Comptroller Matthew Boxer announced today.

The recovered funds, which have been returned to both the state and federal budgets, stem from OSC investigations, audits and other reviews of Medicaid providers. Those providers include entities such as pharmacies, adult medical day care providers and providers of medical equipment.

New Jersey's Medicaid anti-fraud efforts were placed under the direction of the Office of the State Comptroller on June 29, 2010 as part of a streamlining of the state's oversight agencies.

Bolstered by a newly created audit team and using sophisticated data mining techniques, OSC's Medicaid Fraud Division has recovered millions of taxpayer dollars stemming from billings for health services that were never actually provided and billings by health care providers who had been banned from the Medicaid program. Other sources of recovered funds included dollars that were billed to and paid by Medicaid that should have been paid by third-party insurance companies.

Specifically, OSC's Medicaid Fraud Division recovered a total of \$116,330,341 in improperly paid funds as of the close of the fiscal year on June 30. The recoveries represent a 31 percent increase from the previous fiscal year. In addition, an estimated \$210 million in other potential Medicaid costs were avoided through the office's proactive anti-fraud efforts.

“I’m pleased that our efforts to combat health care fraud have returned more than \$116 million to the state and federal budgets,” Boxer said. “These recoveries include funds that had gone to individuals who sought to manipulate a program that provides health care for some of the most vulnerable New Jersey residents. I want to thank the staff of our Medicaid Fraud Division and division director Mark Anderson for their aggressive work on behalf of the taxpayers of New Jersey.”