

September 28, 2004

AMA News Stumbles While Exposing Gaffs

An October 4 editorial by the *AMA News* managed to get both the law and the facts wrong – which is ironic since their core point was that the Center for Medicare and Medicaid Services (CMS) rarely gets it right when complex questions are directed at harried 1-800 Help Line operators. Unlike the staff at the CMS call center, however, the editorial staff at the *AMA News* had all the time in the world to get it right.

AMA News editors claim, “honest mistakes are actionable under the False Claims Act and subject to a civil monetary penalty.” This is not true. Mistakes are exempt from prosecution under the False Claims Act. The law applies only when a fraud-feasor knows it is committing fraud, or when it acts in deliberate ignorance or in reckless disregard of the truth.

The editors of the *AM News* also suggest that physicians are being targeted under the False Claim Act. This is also untrue. Of all the False Claims Act cases settled by the U.S. Department of Justice in FY 2004, only four were directed at individual doctors (out of 700,000 physicians nationwide), and all four cases were examples of gross abuses of the Medicare and Medicaid system – not “honest mistakes,” as the AMA suggests.

Notes Jim Moorman, President of Taxpayers Against Fraud, a nonprofit consumer group working to reduce fraud against the Federal Government, “I would like to think this was an honest mistake on the part of the AMA, and not a deliberate misrepresentation of the False Claims Act. At a time when billions of dollars a year are being stolen from Medicare and Medicaid, our hope is that the AMA would be a leader of physicians fighting fraud rather than an apologist for anyone engaged in fraud.”

Taxpayers Against Fraud Education Fund is a nonprofit, public interest organization dedicated to combating fraud against the Federal Government through the promotion and use of the Federal False Claims Act and its *qui tam* provisions. For further information, visit our web site at: www.taf.org