



August 1, 2012

The Honorable Sam Johnson
Chairman
Subcommittee on Social Security
House Ways & Means Committee
Washington, DC 20515

The Honorable Wally Herger
Chairman
Subcommittee on Health
House Ways & Means Committee
Washington, DC 20515

Dear Representatives Johnson and Herger:

On behalf of the millions of AARP members, and the millions more who rely on Medicare, thank you for holding a hearing to examine protecting Medicare beneficiaries' identities, and reduce fraud, by removing Social Security numbers (SSN) from Medicare cards. Many of our members are victims of identity theft, and many older Americans express concerns about the risks of having a Medicare card go missing.

The Federal Trade Commission estimates that as many as 10 million Americans have their identity stolen each year. Unfortunately, the 48 million Medicare beneficiaries have no choice but to have their SSN displayed on their Medicare cards. Because both government agencies and private businesses use SSN for a wide range of non-Social Security purposes, having your SSN fall into the wrong hands exposes your most important personal information to identity theft. Most Medicare beneficiaries carry their card with them, which leaves them vulnerable to identity theft if their wallets or purses are lost or stolen. While we urge all Medicare beneficiaries to treat their Medicare cards with the same prudence as they would their credit cards, and guard them safely, a lost SSN is not easily replaced.

Moreover, having a SSN on a Medicare card makes it easier to commit fraudulent billing. Criminals can set up false patient accounts using real beneficiary names and information. Fraud and abuse cost the Medicare program billions of dollars each year. Small changes, such as removing Social Security numbers from Medicare cards, can help improve program integrity.

There are several legislative proposals introduced in Congress that would help reduce waste, fraud, and abuse in Medicare. In addition to Chairman Johnson's *Medicare Identity Theft Protection Act*, these bills also promote safer, more secure programs by addressing beneficiary identity theft.

S. 1551/H.R. 2925 – The Medicare Common Access Card Act of 2011

This bill would establish a pilot program in order to utilize smart card technology for Medicare beneficiary and provider identification cards. The smart cards would provide greater security for beneficiaries' personal information, thereby reducing the possibility for identity theft. The technology would also enable more responsive claims tracking and adjudication, as well as reduce provider administrative burden.

H.R. 978 – The Seniors' Identity Protection Act of 2011

This bill would remove Social Security numbers from certain government-issued cards used in connection with Medicare, Medicaid, and CHIP programs.

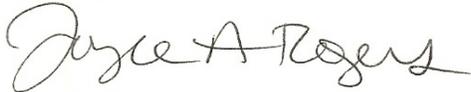
S. 1251/H.R. 3399 – The Medicare and Medicaid Fighting Fraud and Abuse to Save Taxpayers' Dollars Act (otherwise known as the Medicare and Medicaid FAST Act)

This bill would prohibit the display of Social Security numbers on newly issued Medicare identification cards. Moreover, this legislation would strengthen many existing programs by improving data sharing across federal agencies and programs in a way that would ensure more real-time sharing to discourage and prevent payment of fraudulent or duplicate claims. The legislation would also include additional penalties for people who illegally distribute Medicare, Medicaid, or

CHIP beneficiary identification information or provider billing privileges, and improve upon the Senior Medicare Patrol (SMP), which helps educate beneficiaries to detect and report Medicare waste, fraud, and abuse.

The Medicare program must be worthy of beneficiaries' trust, particularly when using sensitive personal information. By removing visible SSN from Medicare cards, we can reduce the likelihood of identity theft and fraud. AARP looks forward to working with the Committee as you address this important issue. If you have any questions, please feel free to contact Ariel Gonzalez of our Government Affairs staff at 202-434-3770 or agonzalez@aarp.org.

Sincerely,

A handwritten signature in cursive script that reads "Joyce A. Rogers". The signature is written in black ink and is positioned above the typed name and title.

Joyce A. Rogers
Senior Vice President
Government Affairs