



Press Conference Revealing Evidence of Maine Medicaid System's Vulnerability to Fraud

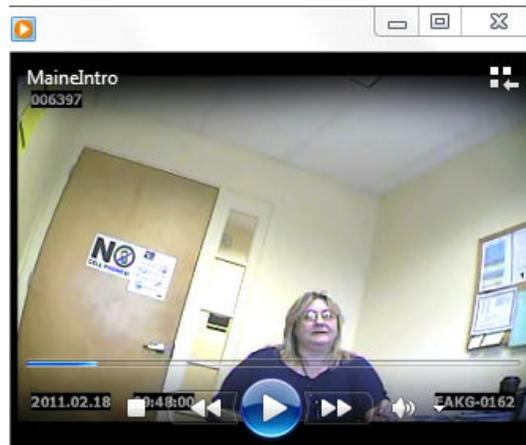
Remarks by Carol Weston, State Director
Americans for Prosperity-Maine
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Good morning and thank you for joining us. I am Carol Weston and I serve as State Director of Americans for Prosperity-Maine. I am joined today by Lance Dutson, the newly-named chief executive officer of the Maine Heritage Policy Center.

Today, AFP and MHPC have partnered to share with you the shocking results of an investigation into the Maine Medicaid system's vulnerability to fraud and abuse. We will show you video footage from an interaction earlier this year between an employee at the Biddeford office of the Department of Health and Human Services, and an individual posing as a "pharmaceutical" importer seeking free, taxpayer-funded Medicaid health coverage.

The video you are about to see was produced and sent to me by James O'Keefe. Mr. O'Keefe is best known for exposing on video how employees at multiple branches of the taxpayer-funded ACORN provided advice on how to avoid detection by authorities of tax evasion, human smuggling and child prostitution.

Just a few moments ago, we shared this video with the Commissioner of the Department of Health and Human Services and the Legal Counsel for Governor LePage. They were as shocked as we were to see this footage. Now, we are making this footage available to the public.



The unabridged footage, which is **TIME** minutes, is available on the Web. A link has been provided in your press kits.

This video reveals explosive evidence of the potential for fraud within Maine's Medicaid system. It replaces what have been unverifiable anecdotes of welfare system fraud and abuse with a concrete example of unethical and potentially illegal behavior within Maine's welfare bureaucracy.

In your press kit we have provided a transcript of the dialogue from this footage, as well as a profile of Ted Ceanneidigh, the individual seeking free health care. This profile includes images of the business card he presents to the DHHS worker, as well as the boat he shows her.

This is what we, and the DHHS worker, know about Ted Ceanneidigh:

- Ted confirms to the DHHS worker he has access to enough money to buy private insurance
- He drives a Corvette
- Ted explains that his parents don't know he has turned their failing fishing business into a "pharmaceutical imports" business that does its dealings in international waters
- His business card prominently features a marijuana leaf
- Ted's income is strictly in cash and precious metals, because metals are "less traceable." He has no pay stubs and none of his income is declared
- Ted never verifies Maine residency

When asked if he will be questioned about his income, the DHHS worker responds, *"You don't have a paycheck, you don't file taxes, you have no income."*

When Ted expresses concern that his Corvette might be noticed, the DHHS worker responds, *"They probably won't see your Corvette"* and then counsils Ted not to say anything about it.

Had Ted actually taken the advice of the DHHS worker and went on to submit an application for free health care based on that advice, fraud would have been committed.

How many Ted Ceanneidighs out there were advised by DHHS workers to hide their income? How many were never reported for obvious drug dealing? How many Ted Ceanneidighs are receiving taxpayer-funded health care today because of the unethical procedures within Maine's welfare bureaucracy?

Maine taxpayers deserve better than this. They deserve peace of mind that their tax dollars are funding a safety net only for the truly needy, not people who game the system. Taxpayers should not be paying government employees to ignore obvious drug felonies. And they should not be paying them to advise individuals to commit tax evasion and hide assets in order to qualify for free health care.

Every year, Maine spends billions on its welfare system. Is this what those billions are funding?

Let me be clear. I am not suggesting all recipients of Medicaid and welfare system benefits are engaged in illegal behavior or gaming the system. For many of our most vulnerable neighbors, our welfare safety net helps them through tough times.

But this video does prove that welfare fraud is possible, and it might be fostered by a broken welfare system, and the employees tasked with keeping that system running.

Reform is needed. The potential for fraud within our welfare system must be erased. The parts of the system that allow for unethical and abusive practices must be fixed. In our meeting this morning, it was quite clear the Commissioner of DHHS and the Governor's administration agree.

Here to talk more about the policy reforms needed to root out abuse and fraud from our welfare system is Lance Dutson, chief executive officer of the Maine Heritage Policy Center.