

# Miami Earns Its Reputation as Fraud Capital

**South Florida is awash in illegal money, and even federal investigators can no longer ignore this area as the center of corruption.**

Miami continues to uphold its well-earned reputation as being the capital of vice and corruption, as the Herald writes, [here](#). Miami is the capital of Medicare corruption, yet again, and has become the focus of federal efforts to reduce fraud. According to the Herald, Medicare "paid \$520 million to Miami-Dade healthcare agencies for treating diabetic patients, more than what the agency spent in the rest of the country combined". Think about that, Medicare spent more in Miami-Dade than the rest of the country!

The Herald noted that the county is home to just 2% of the nation's diabetic patients eligible for Medicare. The assessment that Miami-Dade represents a disproportionate amount of Medicare and health-care fraud throughout the United States has, incredibly, taken federal investigators decades to reach. But, there's more: 1) "Miami-Dade providers accounted for over half of the \$1 billion paid out nationally in 2008 for the treatment of homebound patients with diabetes and related illnesses"; 2) "The county's percentage of diabetics is lower than the rate of in other Florida areas with heavy elderly populations; 3) "No other part of the country...comes close to Miami-Dade, which is dubbed the nation's healthcare fraud capital; 4) "Medicare spends more than \$15 billion on all home-care services nationwide, with one of every \$15 spend in Miami-Dade"; 5) "Medicare's average cost for each home healthcare patient with diabetes runs \$11,928 every two months...that's 32 times the national average cost of \$378".

With these stunning statistics, why hasn't Miami-Dade been flooded with FBI agents, investigators, prosecutors, and other agents? Badges of fraud are fairly easy to detect, predictable, and confirmable. What else do investigators need to confirm this fraud? Signed affidavits from the fraudsters? It's obvious that Miami-Dade County is awash in fraudulent Medicare activity, and federal investigators should freeze payments immediately and send teams of investigators to our area. Confirming the extent of this fraud should not be difficult, and could result in significant savings to Medicare.

The interesting dynamic to this situation is that once Medicare officials decide to clamp down on this type of fraud, how will their efforts affect South Florida's local economy? Miami-Dade has been a hotspot of mortgage fraud, Medicare fraud, money-laundering, and Ponzi schemes. Slowly, surely, federal agents and prosecutors have been working to stamp these out, and have been progressively ramping-up their investigations. The effect of these efforts on the local Miami-Dade economy could be disastrous, as fraud has been such an integral part of Miami-Dade's culture for decades. Efforts to eradicate fraud could severely weaken the local economy, and perversely, lead to more hardship in South Florida. The trickle-effect of fraud eradication efforts could undermine local retailers, who depend on this influx of illicit money, and undermine an economy already ranked among the worst in the country. Is it fair to conclude that a substantial portion of South Florida's economy is dependent on fraudulent activities?