

Part B Insider (Multispecialty) Coding Alert

Compliance: OIG Crackdowns Yield Major Results in the Fight Against Medicare Fraud

Big cash recoveries expected for CMS this year, says the OIG Semiannual Report.

With bells and whistles in place, if you abuse the system, OIG usually finds out.

"We pursue enforcement where appropriate, which helps honest providers flourish by weeding out wrongdoers," says Inspector General **Daniel R. Levinson** in the OIG's latest report on why the agency aggressively pursues offenders.

\$2.77 billion—that's the amount OIG recovered for HHS programs' misappropriations for this first half of the fiscal year 2016 (Oct. 1 2015 through March 31, 2016).

Breakdown: According to the OIG's Spring 2016 Semiannual Report to Congress, the \$2.77 billion in receivables was split with "\$554.7 million in audit receivables and about \$2.22 billion in investigative receivables, which include about \$336.6 million in non HHS investigative receivables." Much of the OIG's search concentrated in "areas such as the States' shares of Medicaid restitution," the report noted.

A majority of the fraud was attributed to criminal activity, with 428 acts by individuals in this category, but the OIG's big news concerned its finding of 383 illegal civil actions, a "five-fold" increase over the past three years in Civil Monetary Penalties (CMP) recoveries. Exclusions also rose, with 1,662 individuals and entities banned from HHS programs.

Recovery Highlights

"OIG detects and identifies services that are questionable, undocumented, medically unnecessary, or incorrectly coded..." says Levinson, "For example, a home health agency owner was sentenced to more than six years and ordered to pay \$4.5 million in restitution for billing Medicare for unnecessary home health care and therapy services."

Levinson, his OIG staff, and HHS initiatives like the Health Care Fraud Strike Force that falls under the Health Care Fraud Prevention and Enforcement Action Team (HEAT) definitely have cause for celebration. Here are a few victories outlined in the report:

- **Improper hospice billing:** Recently in a speech to the HCCA, Levinson mentioned that continual issues plague hospice, and the findings in the report validate his concerns. With improper payments over \$250 million, incomplete care planning requirements, and low quality of care, hospice is consistently failing patients most in need of support.
- **Part B drugs:** The jury is still out on what to do with allowing providers to utilize the 340B Drug Discount Program, which went 58 percent over the agreed upon "340B ceiling prices." This bagged covered entities \$1.3 billion in pocket change—OIG is still reviewing this one.
- **Integrity of systems:** After a thorough investigation of three California MCOs uncovered 74 "high-risk security vulnerabilities," OIG suggests CMS and California work together to overcome the seriousness of slacking security.

Resource: To read the complete report, visit http://oig.hhs.gov/reports-and-publications/archives/semiannual/2016/SAR_Spring_2016.pdf.

