

Part B Insider (Multispecialty) Coding Alert

Compliance: OIG Urges Physicians to Use 'Heightened Security' When Reassigning Medicare Payments

You could be liable for false claims submitted by those entities.

Reassigning your Medicare payments to a third party may be old hat to your practice--in fact, a 2008 OIG report indicated that 77 percent of practitioners have at least one reassignment on file. But have you ever considered the compliance implications of reassigning your benefits? The OIG has--and the agency issued a warning last week telling practices to tighten up their reassignments.

The facts: On Feb. 8, the OIG released an important alert to medical practices, informing them to "exercise caution when reassigning their Medicare payments," thanks to a recent case that blew open the potential for compliance issues when reassigning benefits.

Docs Didn't Know Services Were Billed Under Their Names

The OIG's alert stemmed from a recent settlement with eight physicians who violated the Civil Monetary Penalties Law, apparently without their direct knowledge. The eight physicians reassigned their Medicare payments to various physical medicine companies in exchange for medical directorship positions. While working as medical directors, the doctors did not render any services, but the physical medicine companies billed services as if the physicians had performed them.

Because the doctors didn't monitor what was being billed under their reassigned provider numbers, the OIG pursued charges against them.

Why? If you reassign your right to bill Medicare and collect Medicare payments, you have the right to access your billing information and review any claims submitted under your provider number. If you choose not to monitor these billings, you could be missing charges billed under your name that you didn't actually perform.

Lesson learned: Carefully review the history of any companies to which you plan to reassign Medicare payments to ensure that they are legitimate healthcare providers, and look for frequent reports about what's being billed under your doctor's name. This is a good practice to perform frequently no matter what, since physicians often forget to change their reassignments after they stop doing business with a company.

Case in point: In 2007, Medicare paid \$140,488 through reassignments that should not have been active in just one small sample that the OIG reviewed. In addition, the OIG found that in eight percent of reassignments, practitioners had "no knowledge of the third parties to which their benefits had been reassigned."

Good news: The current reenrollment process that CMS is pursuing may help you catch these issues, since you'll have to review your reassignments during the revalidation process.

To read the complete OIG alert, visit <http://oig.hhs.gov/compliance/alerts/guidance/20120208.pdf>.