

Part B Insider (Multispecialty) Coding Alert

Physician Notes: Doctor to Repay Government \$3.75 Million for Unnecessary Tests

Plus: ACOs will treat 9 million people, thanks to addition of new organizations.

A Virginia physician is in hot water after allegedly billing Medicare and Medicaid for cancer detection tests that were medically unnecessary, and offering inducements to other practitioners in exchange for referrals to his laboratory.

The doctor in question owned a pathology lab which billed Medicare and Medicaid "for expensive cancer detection tests known as Fluorescent In Situ Hybridization (FISH) tests, as well as other tests, that were not medically necessary and were performed without the treating physicians' consent or order," according to a Jan. 8 Department of Justice news release.

Following a whistleblower investigation, the doctor agreed to pay up to \$3.75 million to resolve the allegations and the laboratory will pay over \$6.5 million. The whistleblower will collect \$2.5 million based on his share of the funds recovered via the lawsuit.

Resource: To read more about the case, visit

www.justice.gov/opa/pr/former-owner-bostwick-laboratories-agrees-pay-375-million-resolve-allegations-unnecessary.

In other news...

CMS believes so firmly in its accountable care organizations (ACOs) that the agency has added 121 new participants to the program, bringing the total number of ACOs up to 477, according to a Jan. 11 news release. The added organizations will allow ACO programs to serve almost nine million beneficiaries across the country.

"Americans will get better care and we will spend our health care dollars more wisely because these hospitals and providers have made a commitment to change how they do business and work with patients," said **Sylvia M. Burwell**, the HHS secretary, in the statement. "We are moving Medicare and the entire health care system toward paying providers based on the quality, rather than the quantity of care they give patients."

As most practices are aware, ACOs collect Medicare payments not based on how many procedures they perform, but on the quality of the patient's health outcomes. The government intends to move 30 percent of fee-for-service payments to alternative payment models by the end of this year.

Resource: To read more about the latest in ACOs, visit

www.hhs.gov/about/news/2016/01/11/new-hospitals-and-health-care-providers-join-successful-cutting-edge-federal-initiative.html.