Part B Insider (Multispecialty) Coding Alert

PHYSICIAN NOTES: Non-Compliant CMNs Place You At Risk

Latest physician-supplier scam allegedly billed Medicare $3.7 million

Before you sign a certificate of medical necessity for durable medical equipment, be sure your compliance program is keeping you in the fold with Medicare regulations.

It's not just power wheelchair fraud keeping the feds busy either. In the latest DME go-round out of Texas, Dr. **Delio Garcia Romeu** was arrested May 12 along with **Francisco Giron Flores, Jr.**, the owner and operator of Texas-based DME companies **Bedside Medical Equipment and Supplies** and **CLD Medical Supply**. For five years the DME supplier allegedly paid Dr. Romeu more than $30,000 for signing off on CMNs for oxygen concentrators, ventilators and hospital beds. But the doc never actually performed any examinations, says U.S Attorney **Johnny Sutton.**

Meanwhile, Flores allegedly submitted more than 1,600 phony claims to Medicare, with requests for reimbursement totaling approximately $3.7 million. The men face a 33-count indictment, with up to five years'imprisonment on each count.

1. ALas Vegas podiatrist's bills to Medicare for ingrown toenail surgeries and office visits were allegedly anything but routine. And now he's been indicted on 86 felony counts of health care fraud.

   The **Department of Justice** alleges that podiatrist **Nick Nguyen** defrauded Medicare by billing for ingrown toenail surgery even though he performed routine foot care, which Medicare will not pay for. Also, the department accuses the doctor of filing claims for office visits and surgical procedures on the same day when he had not performed two separate services. Typically, Medicare pays separately for office visits and surgical services on the same day only if the physician can prove that the visit was a separately identifiable service.

2. Lack of storage space, operating system changeovers and staff changes left Philly-based **Franklin Dialysis Center** holding the bag. In an April 21 audit of Epogen claims, the **HHS Office of Inspector General** discovered that even though controls were in place to catch inconsistencies between the number of units prescribed by physicians, administered by the facility and eventually billed to Medicare, personnel weren't always following procedures. As a result, 44 of 143 claims fell short of Medicare payment requirements and landed the **DaVita Inc**-owned facility with a $15,906 payment adjustment.

   Inconsistently archived medical records added insult to injury: Personnel could not locate a handful of medical records requested by federal auditors -- an oversight that cost the facility another $16,000 for only 12 claims.

   To read the report, titled "Review of Medicare Payments to DaVita, Incorporated for Epogen Services Provided at Franklin Dialysis Center, Philadelphia, Pennsylvania" (A-03-03-00003), go to: http://oig.hhs.gov/oas/reports/region3/30300003.pdf.