

Part B Insider (Multispecialty) Coding Alert

Physician Notes: Physician Kickbacks Lead to Jail Time

The feds continue to crack down on home care and hospice fraud, with kickbacks often serving as a main component of the schemes.

In Detroit: Zafar Mehmood has been convicted of Medicare fraud and related charges, the Department of Justice announced in a recent news release. From 2006 through 2011, Mehmood and Badar Ahmadani appear to have obtained patients by paying cash kickbacks to recruiters, who in turn paid cash to patients to induce them to sign up for home care with Mehmood's companies. The evidence also showed that the defendants paid kickbacks to physicians to refer patients to the defendants' companies for unnecessary home care services. Mehmood also is said to have falsified records, used a co-conspirator to launder fraud proceeds through shell companies he controlled, and stolen evidence in the investigation from

an OIG facility. Law enforcement recovered the missing documents and materials during the execution of a search of Mehmood's jail cell.

Also in Detroit: An HHA owner who pled guilty to fraud last March has received a prison

sentence of more than six-and-a-half years and was ordered to repay \$14.1 million. Mohammed Sadiq pled guilty to paying kickbacks to patient recruiters to obtain the information of Medicare beneficiaries, which he then used to bill Medicare for services that were not medically necessary or were not provided. Sadiq further admitted that he created fake patient files for a Medicare audit to make it appear as though services were provided and medically necessary. And Sadiq admitted to money laundering and tax evasion, the DOJ says.

In Pennsylvania: After pleading guilty to falsely certifying patients for hospice last November, former Horizons Hospice Medical Director Oliver Herndon has been sentenced to 33 months for the crime, reports the Pittsburgh Post-Gazette. However, Herndon will serve the sentence at the same time as an earlier 11-year term for illegally prescribing narcotics.

In Oklahoma: A Chandler hospice owner has been sentenced to three years in prison and

ordered to pay more than \$2.5 million in restitution for Medicare fraud, reports The Oklahoman newspaper. Last November, a jury found Prairie View Hospice Inc. owner Paula Kluding guilty of conspiring to "conceal the true medical condition of Prairie View Hospice's patients and the true quality and quantity of health care services they were receiving in order to 'pass' a Medicare audit and to fraudulently obtain money from Medicare," the Justice

Department said in announcing the charges. The defendants falsified documentation to show visits were furnished when they were not, and to make patients appear sicker than they were, prosecutors said.