

Part B Insider (Multispecialty) Coding Alert

Physician Notes: Reporting Inpatient Services Instead of Outpatient Cost This Hospital \$98 Million

Plus: HIPAA penalties might leave you broke, despite insurance coverage.

When you think of your place of service codes and your inpatient vs. outpatient services, you may not think that you're making expensive differentiations. But one hospital found out that performing services for inpatients vs. outpatients was an extremely costly mistake.

On Aug. 4, the Justice Department announced that an acute care hospital chain agreed to pay \$98.15 million to resolve False Claim Act allegations. The hospitals are alleged to have admitted scores of ER patients that could have easily been treated in the outpatient or observation setting, and billed for inpatient cardiac and dialysis procedures on an inpatient basis when they should have taken place as outpatient services.

"Health care providers should make treatment decisions based on patients' medical needs, not profit margins," said U.S. Attorney **Anne M. Tompkins** for the Western District of North Carolina in a statement. "We will not allow this type of misconduct to compromise the integrity of our health care system."