

Eli's Rehab Report

Industry Notes:

Overbilling Manual Therapy Claims Lands Maryland Woman in Prison

Jacqueline Wheeler of Chevy Chase, Maryland, will have to pay \$3.17 million in restitution, apart from serving a 75 month prison term for submitting "over 600 claims to **D.C. Medicaid** for manual therapy services" purportedly provided to 22 District of Columbia Medicaid beneficiaries, according to a Nov. 02, 2012, **U.S. Attorney's Office** (Columbia) press release.

"Wheeler routinely billed D.C. Medicaid from 1,440 continuous minutes of manual therapy for a single patient in a 24-hour period to as many as 2,910 continuous minutes (or 48.5 hours) of manual therapy for a single patient in a 24-hour period," the release noted. She submitted these claims on behalf of Sheridan Rehabilitative and Wellness Centers which purportedly engaged in providing rehabilitative services to the mentally and physically disabled community.

False Documentation Puts Therapist Behind Bars

Hetal Barot, 30, a Detroit-area registered physical therapy assistant of Westland, Mich., was "sentenced to serve 30 months in prison for her role in a nearly \$13.8 million Medicare fraud scheme," according to a Dec. 11, 2012, **Department of Justice** (DOJ) press release.

"Barot, a physical therapy assistant, was paid to falsify medical documentation for Physicians Choice Home Health Care LLC, a home health agency owned by her co-conspirators," the release added. To make matters worse, she "created evaluations, therapy revisit notes and other medical documentation memorializing purported physical therapy for patients she did not see or treat" despite knowing that they "would be used to support false claims to Medicare for home health services," it said.

IRS Passes New Medical Device Tax

The new medical device tax may make your costs skyrocket, especially when the added costs from the 2.3-percent tax trickle down from manufacturers to providers. The **Internal Revenue Service** just passed the final rule on the new medical device tax, which becomes effective on Jan. 1, 2013. The tax comes as part of the 2010 "Obamacare" law.

The IRS expects the tax to net nearly \$30 billion in government revenues through 2022, **Reuters** reports. The tax applies to most medical devices used or implanted by providers □ from tongue depressors to pacemakers. But the tax excludes over-the-counter devices like hearing aids and eyeglasses, as well as prosthetics and certain experimental treatment devices.

Medical device companies have been lobbying furiously against the tax, and now they're lobbying to either repeal the tax or at least delay the start date.