

Eli's Rehab Report

Industry Notes: \$205 Million Medicare Fraud Scheme Results In 108 Months Imprisonment Sentence

You need to watch out about the kinds of reports you are preparing, as a former director of a mental healthcare provider found to her cost. The **Department of Justice** is frowning on all kinds of fudging.

Miami-area resident **Vanja Abreu** (PhD), former program director at the mental health care company **American Therapeutic Corporation** (ATC), was recently sentenced to 108 months in prison for participating in a \$205 million Medicare fraud scheme, reported Assistant Attorney General **Lanny A. Breuer** of the **Justice Department's Criminal Division** and Special Agent-in-Charge **Christopher Dennis** of the **U.S. Department of Health and Human Services Office of Inspector General** (HHS-OIG), Office of Investigations Miami office in an Oct. 11 Department of Justice Office of Public Affairs press release.

U.S. District **Judge Patricia A. Seitz** in the Southern District of Florida sentenced Abreu, 49, of Pembroke Pines, Fla., to a prison term of 108 months and to serve three years of supervised release following her prison term. Additionally she will be required to pay \$72,771,469 in restitution, jointly and severally with co-defendants.

"Evidence at trial revealed that ATC secured patients by paying kickbacks to assisted living facility owners and halfway house owners who would then steer patients to ATC. These patients attended ATC, where they were ineligible for the treatment ATC billed to Medicare and where they did not receive the treatment that was billed to Medicare ... ATC and its management company, **Medlink Professional Management Group Inc.**, pleaded guilty in May 2011 to conspiracy to commit health care fraud," the release added.

Abreu and her co-accused fabricated doctors' notes and other documents including therapists' notes and submitted claims to Medicare "for patients who were in the late stages of diseases causing permanent cognitive memory loss and patients who had substance abuse issues and were living in halfway houses," the release said. ATC operated "purported partial hospitalization programs (PHPs), intensive treatments for severe mental illness" and submitted fraudulent claims to Medicare for them.

Tap This Education Tool For New Therapy Review

One HHH Medicare Administrative Contractor is lending a helping hand in figuring out the new therapy cap exceptions process for Part B therapy that starts Oct. 1.

Suppliers and providers who plan to provide services above the \$3,700 threshold for occupational therapy or physical and speech therapy combined "will need to submit these services for prior authorization," **Palmetto GBA** says in a new job aid on the topic. "Claims for services in excess of this threshold that have not been not pre-authorized will be subject to pre-payment medical review."

Remember: The caps apply to Part B outpatient therapy only, not to therapy provided under a home health plan of care - even if CMS did recently send cap letters to beneficiaries receiving home care therapy.

You may not have to deal with the manual review process quite yet, though, Palmetto reminds providers. CMS is phasing in the process in three steps, with the last phase beginning Dec. 1.