

## Eli's Rehab Report

### Industry Notes: Beware Hospital Therapy Billing Change

Watch out for changes to the therapy reimbursement requests you get from hospitals. **The Centers for Medicare & Medicaid Services** (CMS) has finalized the so-called "2 midnights rule" that encourages hospitals to have appropriate-length observation stays and inpatient stays.

By focusing medical review on long observation stays and short inpatient stays, CMS may change hospitals' therapy billing patterns, suggests the **National Association for Home Care & Hospice** in its member newsletter. For example, a hospital with long observation stays may curtail them, resulting in fewer outpatient therapy services that are bundled into a home health plan of care. That, in turn, will mean fewer requests for you to pay for the hospital therapy, NAHC offers.

But if a hospital has very short inpatient stays, it may convert some of those to observation stays, increasing your requests for Part B therapy reimbursement from the facility. However, "agencies are not required to reimburse the facility for bundled therapy if there is no arrangement with the facility to provide the service," the trade group stresses.

**OASIS consideration:** "Agencies will most likely be required to complete the transfer/[Resumption of Care] OASIS if the patient's status is changed from observation to inpatient," NAHC advises. But "a transfer/ROC OASIS is only required if the inpatient status is greater 24 hours."

#### Pennsylvania Physician Breaks Bad

A Pennsylvania physician who made his name running a physical therapy and rehab practice was sentenced to 25 years in prison this week for distributing a controlled substance resulting in death, and over 300 counts stemming from a "pill mill" operation, **the Department of Justice reported in a Sept. 24 news release.**

The 73-year-old doctor "conspired with six separate groups of drug dealers ... the operation resulted in the illegal distribution of more than 700,000 pills containing oxycodone," the DOJ notes. As part of the scheme, "patients" would come to the office and pay an office visit of about \$150; in turn, the doctor would write prescriptions for them despite the fact that they didn't have a medical reason for the painkillers. "The drugs were then turned over to the drug dealers so their organizations could sell the narcotics to numerous drug dealers who resold the drugs on the street," the DOJ added.

To read more about the case, visit [www.justice.gov/usao/pae/News/2013/September/werthersentence\\_release.htm](http://www.justice.gov/usao/pae/News/2013/September/werthersentence_release.htm).

#### Miami Patient Recruiter Pleads Guilty

A patient recruiter for a Miami HHA has pled guilty for his role in a \$48 million Medicare fraud scheme. Emilio Amador recruited patients for **Caring Nurse Home Health Care Corp.** Amador solicited and received kickbacks and bribes from the owners and operators of Caring Nurse in return for allowing Caring Nurse to bill the Medicare program on behalf of the patients he recruited, the **Department of Justice** says in a release.

The home health and therapy services were medically unnecessary and/or not provided. Amador also pleaded guilty to his involvement with fraudulent billings for **Nation's Best Care Home Health Corp.**, which he owned and operated, the DOJ says.