

Eli's Rehab Report

NEWS BRIEFS: Physical Therapy Clinic Pays Up for Anti-Kickback Violations and More

Advanced Centers for Orthopaedic Surgery and Sports Medicine Inc. and Maryland SportsCare and Rehabilitation agreed to collectively pay the United States \$238,912.47 to settle claims that they violated the federal Anti-Kickback statute, according to the Department of Justice.

The Anti-Kickback statute prohibits submitting claims to a federal healthcare program for payment of services that are induced from a referral for the services.

The government contends in the settlement agreements that from January 2002 to October 2004, Advanced Centers referred patients to MSR for physical therapy services and paid a referral fee of \$30 per patient up to 150 patients and \$36 per patient for every referral thereafter. At the same time, MSR leased space from Advanced Centers at a rate that "far exceeded" the fairmarket rate for similar spaces, in what the government insists is a kickback scheme.

But that's not all: The government also argued that Advanced Centers and MSR violated the False Claims Act because they knowingly submitted these claims that violated the Anti-Kickback Statute. Additionally, Advanced Centers settled "double billing" claims that were based upon submitting multiple claims to Medicare that resulted in multiple payments for the same physical therapy service.

Both corporations denied the allegations. Advanced Centers paid \$158,312.47 and MSR paid \$80,000 to settle the claims.