

Eli's Hospice Insider

Audits: Consider Legal Action For Unreasonable Recoupments

One hospice wins reprieve from ZPIC audit findings in federal court.

Don't give up hope if you get walloped with an unreasonable recoupment based on a Medicare audit.

Hospice Savannah in Georgia was hit with such a recoupment from a Zone Program Integrity Contractor. It appealed unsuccessfully at the first two levels, then would have had to close its doors before receiving an ALJ decision. However, the hospice filed for a Temporary Restraining Order based in part on the three- to five-year backlog of appeals at the ALJ.

ZPIC **AdvanceMed** sought to recoup \$8.6 million from the hospice based on the extrapolation of an alleged \$152,000 in denials in a 100 claim sample, according to the TRO granted in September in the case. After the judge issued the TRO, the **Centers for Medicare & Medicaid Services** "agreed to a significantly reduced payment schedule that was more reflective of the likelihood that the underlying overpayment determinations would be reversed and, most importantly, that was sufficiently manageable for the hospice to allow it to continue to deliver high-quality services to its hospice patients while it awaits its ALJ hearing," notes the **National Association for Home Care & Hospice**.

"With the backlog to receive a hearing before an Administrative Law Judge (ALJ) as long as 3 to 5 years, health care providers facing significant recoupments of alleged overpayments should consider whether to pursue additional remedies," urges attorney **Rochelle Zapol** with law firm **Prince Lobell Tye** in analysis of the case.