

Eli's Hospice Insider

Fraud & Abuse: Hospices Pay Out Millions In Fraud Cases

Hospice coughs up \$3 million for integrity agreement settlement.

A whistleblower lawsuit filed by hospice physicians has cost one nonprofit Florida hospice \$2.5 million - and it could have been much worse.

Health and Palliative Services of the Treasure Coast Inc., The Hospice of Martin and St. Lucie Inc., and Hospice of the Treasure Coast Inc. have paid \$2.5 million to settle the case, the **Department of Justice** says in a release. The hospice billed Medicare for ineligible patients, the DOJ says.

Physicians **John Simons** and **Lewis Cook** received more than \$476,000 from the announced recovery, according to the DOJ.

In a statement furnished to local news outlet TCPalm.com, Treasure Coast said "the actual care that was provided to patients was never in question; this has been a dispute over documentation," the website reports.

However, relator Cook told TCPalm.com that top executives ordered doctors to "find a way" to keep Medicare beneficiaries in hospice for as long as possible. The whistleblower complaint alleged employees were trained to falsify documentation to make stable but chronically ill patients appear terminally ill and to underestimate patients' life expectancies, the website reports.

Also: The hospice's then-CEO allegedly told the doctors to "shut up" and "just sign the order" for inpatient admissions, among other shady practices, according to court records.

The hospice's settlement amount was relatively low because a larger one would have put the provider out of business, the whistleblowers' attorney told TCPalm.com.

Hospice Provider Inks Record-Breaking Integrity Agreement Penalty

If you need a reminder of why you should walk the line and avoid having to enter into Integrity Agreements with the **HHS Office of Inspector General**, check out a new **Government Accountability Office** report about the agreements.

IAs and Corporate Integrity Agreements contain "stipulated penalties" with penalty amounts that are "non-negotiable" and do not change across agreements. They range from \$1,000 to \$50,000 per violation, the GAO report says.

An unnamed hospice provider paid a record-setting \$3 million due to such a penalty. It "resulted from the entity's failure to correct improper billing processes and poor claims submission practices that had led to error rates and overpayments ... by Medicare for hospice services," the GAO says. "These issues were uncovered through the claims reviews required under the agreement and HHS-OIG's site visits."

See the report at www.gao.gov/assets/700/691034.pdf.