

Health Information Compliance Alert

Industry Notes: Physician Nailed for Role in \$200 Million Medicare Fraud Scheme

Medicare wants physicians' signatures on their charts -- but only if they're signing off on work they actually performed. A Florida physician faces up to 10 years in prison after pleading guilty to healthcare fraud this week, during which he was accused of signing evaluations, notes, and other documents for patients who did not require the treatments given and documented.

The physician was a psychiatrist who knew that many of the patients attending the partial hospitalization program where he worked did not require intensive mental health treatments, but signed files without examining patients and wrote prescriptions for psychiatric medications that the patients did not need so it would appear that they qualified for the treatments being billed.

The facility is alleged to have committed over \$200 million in Medicare fraud, and the physician personally had a role in \$19.3 million of that sum in fraudulent Medicare billing.

To read more about the case, visit www.justice.gov/opa/pr/2011/june/11-crm-871.html.

CMS Updates Teaching Physician Documentation Regs

Medicare's teaching physician rules have long confused medical practices, but CMS aims to fix that problem by issuing several updates to its Medicare Claims Processing Manual, with the June 24 issuance of Transmittal 2247.

The transmittal offers a clarification to Section 100.1.1 of the Manual, which discusses documentation instructions for E/M services performed by teaching physicians. Specifically, it addresses what the documentation must include when a resident admits a patient to a hospital late at night, but the teaching physician doesn't see the patient until later (often the next day).

CMS notes that the following are required in these circumstances:

- The teaching physician (TP) must document that he personally saw the patient and participated in the patient's management. He can reference the resident's note instead of re-documenting the HPI, exam, medical decision-making (MDM), review of systems, and/or past, family and social history as long as the patient's condition hasn't changed and the TP agrees with the resident's note.
- The TP's note must reflect changes in the patient's condition and clinical course that require that the resident's note be amended with additional information to address the patient's condition and course when the TP sees the patient.
- The TP's bill must reflect the date of service that he saw the patient and his work obtaining a history, performing a physical, and participating in MDM, regardless of whether the combination of the TP's and resident's documentation satisfies criteria for a higher level of service.

"For payment, the composite of the teaching physician's entry and the resident's entry together must support the medical necessity of the billed service and the level of the service billed by the teaching physician," the CMS manual notes.

To read the transmittal in its entirety, visit www.cms.gov/transmittals/downloads/R2247CP.pdf.