



## OIG Enforcement Update

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## What We Are Looking For



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## Today's Topics

Successful Cases from Proactive Data Analysis

Recent Trends In OIG's Enforcement Efforts

- Including Collaborative Efforts in Urine Diagnostic Testing Schemes



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## Proactive Data Analysis Case Examples

(Something Raises a....)





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 Meanwhile, at the ZPIC





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 Total Rehab

- ZPIC identified aberrant biller of PT services with use of KX.
  - He/she billed PT services + KX on 100% of claims, national average is around 10%
  - KX bypasses therapy cap in Medicare payments system
- PT had not worked at facility in years.



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 **Total Rehab**

- Owner of Total Rehab (not a PT) continued to bill for PT services without a PT on-staff, continued to use that PT's provider number.
- Patricia Boshears pled guilty to an information charging one count of 18 USC Section 1347. The plea agreement set the loss to Medicare at \$68,096.27.



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 **More Proactive Work**

Through....





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 **MDTN Podiatry Cases**

- Common podiatry scheme is to bill for nail avulsions but only provide routine foot care.
- USAO investigator researched Medicare's most frequent billers of nail avulsions in MDTN.



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## Podiatry Cases

A few dozen bene interviews to establish a pattern (you know if you have had a nail avulsion), along with some other investigative steps...

- Dr. John Cauthon – indicted Oct. 2015
- Dr. Charlton Peter – information filed Oct. 2016




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## Ambulance Settlements

- Looked for ALS emergency and BLS emergency runs where the destination was NOT a hospital (SNF, home, etc.).
- Series of settlements in Jacksonville, FL and elsewhere with both ambulance companies and the hospitals.




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## Ambulance Settlements

Provider	Date Settlement	Settlement Amount
Shawano Ambulance Service	11/12/2015	\$108,086.00
SeniorCare Emergency Medical Services	11/13/2015	\$103,334.00
EMS Mediventure, Inc.	12/17/2015	\$62,000.00
South Central Regional Medical Center	12/21/2015	\$38,886.62
City of Barre, Vermont	12/23/2015	\$27,750.00
LifeLine Ambulance Service, LLC	1/27/2016	\$74,414.60
White Lake Ambulance Authority	2/5/2016	\$13,635.08
Kurtz Ambulance Service, Inc. and Andres Medical Billing, Ltd.	2/19/2016	\$77,542.72
Campion Ambulance Service, Inc.	2/26/2016	\$100,804.74
Altru Health System	3/4/2016	\$300,974.00
Ogden City Cooperation	3/11/2016	\$363,309.38
Allied EMS Systems, Inc.	5/5/2016	\$217,222.63
The Board of County Commissioners of Flagler County and PST Services, Inc.	6/13/2016	\$86,241.00
Enloe Medical Center	6/24/2016	\$570,912.40
Courtesy Transport Services, LLC	7/20/2016	\$362,188.00
Arkansas Excellent Transport, Inc.	9/16/2016	\$35,208.35




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### Predictive Analytics and Risk Scores

Use past billing and referral behavior and other information available to LEO (FinCEN, SARS) to identify risky providers.

Both HHS and DOJ have analytics tools that can apply risk scores to providers.



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### Examples of Risk Modeling

- DME with a high % of claims from one referring physician, yet no E&M's billed by that physician for the referred patients.
- Geographic clusters of a particular provider and the movement of those clusters.
  - Patient population doesn't match payment percentage, aberrant to peers
- All in, then cash out before we come knocking (DME, pharmacy)
  - Clues: large % of denied claims, low % of resubmitted, outside of office environment



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### Examples of Risk Modeling

- Geographic relationship (or lack thereof) between ancillary provider and referral source.
- Opioid prescribers, drug to drug interactions
  - Pharmacy, compounding pharmacy fraud indicators
  - OEI report
- Hopefully, all of these analytics and clues will lead us to...



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 UDT/Toxicology Screening

Good Case Study in

- Proactive Data Analysis
  - Collaborative Efforts OIG
- Recent Enforcement Trend



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 Cases in Urine Diagnostic Testing

- Increase in UDT expenditures over last few years.
  - Partly a byproduct of increase of pain management doctors
- Medicare recently changed reimbursement rate re panel testing.
- Increased investigations and regulatory scrutiny.
- The industry can be risky.



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**Special Fraud Alerts**

- June 25, 2014
- Laboratory Payments to Referring Physicians




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**Other Guidance**

- June 9, 2015
- Physician Compensation Arrangements May Result in Significant Liability




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**Seen in the UDT industry**

- Kickbacks in the form of IT equipment, medical directorships, POC cups, personnel, leases, processing fees, golf clubs, Hermes bags
- Test everything for everything, every time
  - Why would you want to confirm that zero is zero?
  - Why are you testing every grandmother for Molly?

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### More Data Mining

Proactive analysis by OAS

Mohammad Siddique, M.D. and Shoals Medical Group, LLC (ND AL)

Go434 – low complexity POC screen.  
Guidance is one test per patient encounter.



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### Siddique

- Multiple tests per patient encounter + used modifier 59
- \$2,767,651.67



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### Millennium Health, LLC Claims

\$256 Million Settlement in Oct. 2015 + CIA

- No “Custom Profiles”  
Orders must be patient-specific
- Thoughtful approach to reflexive testing
- Submission of diagnostic information for tests ordered
- Audit of referral patterns to address potential issues with referral sources  
Chief Clinical Officer  
Oversight over clinical content in marketing materials, messaging to referral sources, etc.



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### Millennium Health, LLC Arrangements and Marketing

- Arrangements
  - Review and training
  - Tracking anything of value provided to an actual or potential referral source
- Monitoring of marketing
  - Field force monitoring
  - Compliance observations




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### Recent Laboratory CMP Settlements

Provider	Date Settlement	Settlement Amount
C.F. Health Management, Inc., d/b/a Gainesville Pain Management	5/17/2013	\$1,577,597.00
Medicus Laboratories, LLC	2/14/2014	\$5,000,000.00
Nabil Attalla Barsoum, M.D.	7/25/2014	\$34,528.90
Florida Family Laboratory, Inc	8/5/2014	\$97,400.00
Pain Specialists of Greater Chicago	9/10/2014	\$50,763.45
Clinical Laboratory Partners	9/29/2014	\$45,789.34
Dennis Conrad Harper, M.D.	1/20/2015	\$25,168.54
Alan J. Wayne, M.D. and Stevenson Medical Center, Inc.	2/24/2015	\$25,000.00
American Institute of Toxicology	7/20/2015	\$29,924.74
David Irving Stein, M.D. and Milwaukee Pain Treatment Services	8/14/2015	\$74,864.78




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### Recent Laboratory FCA Settlements

- Calloway Laboratories, Inc.
- Strata Pathology Laboratory, Inc. (StrataDX)
- Millennium Health, LLC
- Singulex, Inc.
- Health Diagnostic Laboratory, Inc.
- Bostwick Laboratories, Inc.




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**OIG Enforcement Trends**

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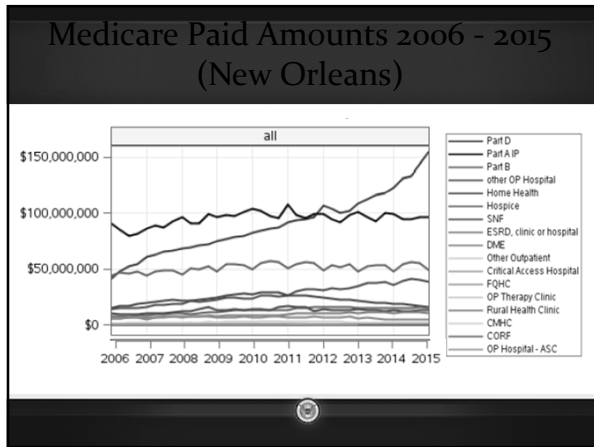
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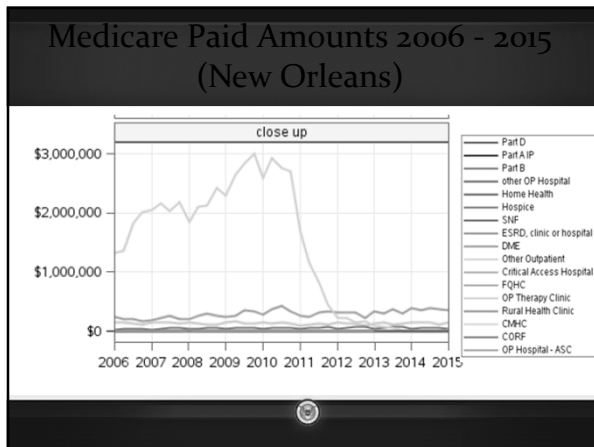
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## Hospice Fraud

- Let's stay somewhat local
- Mississippi hospice cases
  - Live discharge rate highest in country
  - Low rate of cancer diagnosis
  - Typical hospice beneficiary interview

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## Outcomes: DME Payment Trends

Sustained declines in Medicare payments have followed Federal enforcement and oversight action.

Medicare Payments for DME, Calendar Years 2006 - 2013  
Miami-Miami Beach-Kendall, FL

- Medicare payments for DME in Miami peaked at more than \$60 million per quarter in 2006
- In 2007, numerous federal oversight and administrative initiatives were launched by CMS, OIG and others, including the Medicare Fraud Strike Force in May 2007
- Miami-area DME payments decreased from over \$40 million per quarter in 2007 -before the Strike Force's first takedown- to \$5 million per quarter in 2011 (e.g., approximately \$500 million in annual savings thereafter)

Analysis Run Date: April 4, 2014  
Note: The results of this analysis are subject to change as claims are adjusted or deleted. Medicare timely filing requires providers to submit their claims within 12 months of the date of service. Medicare Claims Processing Manual, Chapter 1, Section 18.1.

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## Medicare Part B

- PCP's trying to specialize or bring things in-house
  - Allergy testing and immunotherapy
  - LCMS screening, other lab services
  - Suboxone programs
- Mobile Suboxone treatment

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Questions?

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