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OIG Warns Physicians of Fraud Liability from Medicare Reassignments

By Stephanie D. Willis and Karen S. Lovitch on February 8th, 2012

An OIG Alert issued today reminds physicians who reassign their right to submit claims to and receive payment from Medicare may be liable for any false claims submitted to the government. The OIG linked this alert to recent settlements under the Civil Monetary Penalty Law with physicians whose Medicare payment reassignments resulted in false claims. These physicians allegedly reassigned their right to Medicare payments to physical medicine companies in exchange for medical directorship positions. The companies then submitted claims for services that the physicians did not perform or supervise and for services not rendered or performed as billed. According to the OIG, the physicians' failure to monitor the services billed using their resassigned provider numbers resulted in the provision of services by unqualified individuals. This OIG Alert is reminiscent of the Mississippi Physical Therapy Fraud Initiative in 2008-2009, which resulted in numerous criminal and civil settlements resolving similar conduct.

As the OIG notes, physicians have unrestricted access to claims submitted by an entity pursuant to a reassignment. Physicians should review these claims to ensure that the services for which the entity billed comply with the supervision rules, and that the services were actually rendered and performed as billed.