

# HIPAA Monthly Alert



2020  
August

## Liberty Healthcare Corporation

---

 Questions regarding this alert?  
Contact: Judith Ann Shields, Privacy Officer

 [judith.shields@libertyhealth.com](mailto:judith.shields@libertyhealth.com)

 (610) 668-8800 ext.193

### False Claims Submitted by Entities Receiving Reassigned Medicare Payments

Physicians who reassign their right to bill the Medicare program and receive Medicare payments by executing the CMS-855R application may be liable for false claims submitted by entities to which they reassigned their Medicare benefits.

### OIG Encourages Physicians to Use Heightened Scrutiny

Before reassigning their Medicare payments, physicians should carefully consider entities to which they choose to transfer their Medicare payments and ensure that the agencies are legitimate providers or suppliers of health care items and services.

### OIG Recently Reached Settlements with Eight Physicians

These physicians violated the Civil Monetary Penalties Law by causing the submission of false claims to Medicare from physical medicine companies. Specifically, these physicians reassigned their Medicare payments to various physical medicine companies in exchange for Medical Directorship positions. While serving as Medical Directors, the physicians did not personally render or directly supervise any services. There was evidence that the services the physical medicine companies claimed the physicians performed, did not perform, or did not perform as billed.

### The Failure of the Physicians to Monitor the Services Billed

Using the physicians' provider numbers resulted in individuals with little to no medical background serving as physical therapy "technicians." These unlicensed "technicians," including retail cashiers and massage therapists, rendered unsupervised in-home physical therapy services to Medicare and Medicaid beneficiaries. The physical medicine companies falsely billed Medicare using the physicians' reassigned provider numbers as if the physicians personally rendered the services or directly supervised a "technician" giving the services. Many of the owners and operators of the physical medicine companies were prosecuted. OIG determined that the physicians were an integral part of the scheme and pursued their liability under the Civil Monetary Penalties Law.

Reference: <https://oig.hhs.gov/compliance/alerts/guidance/20120208.asp>

Please look for next month's HIPAA alert delivered through your email. You can also find the HIPAA monthly alerts on Employee Self Service (ESS).