COMPLIANCE CONNECTION

JUNE 2022

This newsletter is prepared by the Midland Health Compliance Department and is intended to provide relevant compliance issues and hot topics.

IN THIS ISSUE

FRAUD & ABUSE LAWS EXAMPLES

The five most important Federal Fraud and Abuse Laws that apply to physicians are:

1. ***False Claims Act (FCA):*** *A physician knowingly submits claims to Medicare for medical services not provided or for a higher level of medical services than actually provided.*
2. ***Anti-Kickback Statute (AKS):*** *A provider receives cash or below-fair-market-value rent for medical office space in exchange for referrals.*
3. ***Physician Self-Referral Law (Stark law):*** *A physician refers a beneficiary for a designated health service to a clinic where the physician has an investment interest.*
4. ***Exclusion Authorities:*** *Several doctors and medical clinics conspire in a coordinated scheme to defraud the Medicare Program by submitting medically unnecessary claims for power wheelchairs.*
5. ***Civil Monetary Penalties Law (CMPL):*** *Includes making false statements or misrepresentations on applications or contracts to participate in the Federal health care programs.*

Resource:
https://oig.hhs.gov/compliance/physician-education/fraud-abuse-laws/

Midland Health NEW Compliance Hotline
855-662-SAFE (7233)
Midland Health ID#: 6874433130
This ID# is required to submit a report.

MIDLAND HEALTH

COMPLIANCE TEAM

Michelle Pendergrass, MBA, CHC
Chief Compliance Officer/Privacy Officer
P: 432-221-1972
Michelle.Pendergrass@midlandhealth.org

Pam Porras, CMC, CHCA
Compliance Officer 501a
Pamela.Porras@midlandhealth.org

Regenia Blackmon
Compliance Auditor
Regenia.Blackmon@midlandhealth.org

DEPARTMENT OF JUSTICE NEWS

Ten Florida Residents Indicted for $67 Million Health Care Fraud, Wire Fraud, Kickback, and Money Laundering Scheme

Ten Florida residents were charged in an indictment unsealed today in the Southern District of Florida for their alleged roles in a $67 million health care fraud, wire fraud, kickback, and money laundering scheme involving the submission of false and fraudulent claims to Medicare for medically unnecessary genetic tests and durable medical equipment.

Daniel M. Carver, 35, of Coral Springs; Thomas Dougherty, 39, of Royal Palm Beach; and John Paul Gosney Jr., 39, of Parkland, the owners and managers of independent clinical laboratories and marketing companies, were each charged with conspiracy to commit health care fraud, health care fraud, conspiracy to pay and receive health care kickbacks and bribes, paying and receiving kickbacks and bribes, conspiracy to commit money laundering, and money laundering offenses.

Galina Rozenberg, 39, and Michael Rozenberg, 58, both of Hollywood, were arrested on Feb. 6, attempting to board a flight to Moscow. Each were charged with one count of conspiracy to commit health care fraud, health care fraud, and conspiracy to commit money laundering. Galina Rozenberg was also charged with additional money laundering offenses.

Louis Carver, 30, of Delray Beach; Timothy Richardson, 29, of Lantana; Ethan Macier, 22, of Coral Springs; and Jose Goyos, 35, of West Palm Beach were each charged with conspiracy to commit health care fraud, health care fraud, conspiracy to commit money laundering, and money laundering offenses. Ashley Cigarroa, 29, of North Lauderdale was charged with one count of conspiracy to commit health care fraud and committing health care fraud.

The indictment alleges that, between January 2020 and July 2021, the defendants referred Medicare beneficiaries for medically unnecessary genetic tests and durable medical equipment. In exchange for doctors' orders for such tests and equipment, the defendants allegedly paid kickbacks and bribes to telemedicine companies. The indictment further alleges that the defendants falsified Medicare enrollment forms to conceal the true owners and managers of certain laboratories, and submitted false and fraudulent claims to Medicare.

The defendants are anticipated to make their initial appearances in federal court beginning the week of Feb. 28. Federal charges for conspiracy to commit health care fraud and wire fraud, conspiracy to commit money laundering, and money laundering are each punishable by a maximum penalty of 20 years in prison. Health care fraud and anti-kickback violations are each punishable by a maximum penalty of 10 years in prison.

Read entire article:
https://www.justice.gov/opa/pr/ten-florida-residents-indicted-67-million-health-care-fraud-wire-fraud-kickback-and-money

DID YOU KNOW...

Office of Inspector General (OIG)

OIG's mission is to provide objective oversight to promote the economy, efficiency, effectiveness, and integrity of HHS programs, as well as the health and welfare of the people they serve.

Resource: https://oig.hhs.gov/about-oig/

MIDLAND HEALTH

MIDLAND HEALTH POLICYTECH

MIDLAND HEALTH • PT POLICYTECH® Policy & Procedure Management

COMPLIANCE PROGRAM PLAN

PURPOSE

Midland County Hospital District d/b/a Midland Memorial Hospital is a Texas governmental entity, established under the Texas Constitution by the Texas Legislature, to provide medical care to the residents of its District. In pursuit of its legislative purpose, Midland Memorial Hospital supports and promotes charitable, educational and scientific purposes through the hospital as well as through its maintenance and support of its physician corporations and various corporate affiliations which support this mission. Midland Health (MH) is the entire system through which Midland Memorial Hospital conducts its activities in pursuit of its charitable, educational and scientific purposes.

MISSION Leading healthcare for greater Midland.

VISION Midland will be the healthiest community in Texas.

CORE VALUES:

Pioneer Spirit…

- We tell the truth and honor commitments.
- We innovate and embrace change.
- We are careful stewards of our resources.
- We overcome problems without complaining.
- We exceed quality and safety expectations through teamwork and partnerships.

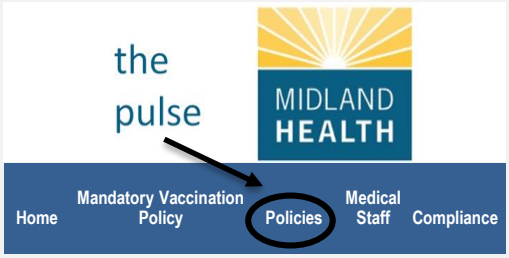
Healing Mission…

- We do our best to improve the health and well-being of our community.
- We are continuous learners.
- We create an environment that supports the healing process.
- We care for ourselves so we are able to care for others.
- We find joy in our work and have fun together.

Read entire Policy: Midland Health PolicyTech #8690 "Compliance Program Plan"

Midland Health PolicyTech Instructions

Click this link located on the Midland Health intranet "Policies"
https://midland.policytech.com/dotNet/noAuth/login.aspx?ReturnUrl=%2f



IN OTHER COMPLIANCE NEWS

LINK 1

Connecticut Passes Comprehensive Data Privacy Law

https://www.hipaajournal.com/connecticut-passes-comprehensive-data-privacy-law/

LINK 2

FBI Issues Warning About BEC Scams as Losses Increase to $43 Billion

https://www.hipaajournal.com/fbi-issues-warning-about-bec-scams-as-losses-increase-to-43-billion/

LINK 3

World Password Day 2022 – Password Tips and Best Practices

https://www.hipaajournal.com/world-password-day-2022/

LINK 4

New Framework for Assessing the Privacy, Security, and Safety of Digital Health Technologies

https://www.hipaajournal.com/framework-assessing-digital-health-technologies/

PHYSICIAN SELF-REFERRAL LAW *(STARK LAW)*

EXAMPLES OF STARK LAW VIOLATIONS

THE CHRIST HOSPITAL - PAY-TO-PLAY CARDIOLOGY SCHEME

Allegations

- Paying unlawful remuneration to doctors in exchange for referring cardiac patients to The Christ Hospital in a pay-to-play scheme

  –Limiting the opportunity to work at the Heart Station – an outpatient cardiology testing unit that provides non-invasive heart procedures – to those cardiologists who referred cardiac business to The Christ Hospital

  –Cardiologists whose referrals contributed at least two percent of the hospital's yearly gross revenues were rewarded with a corresponding percentage of time at the Heart Station, where they had the opportunity to generate additional income by billing for the patients they treated at the unit and for any follow-up procedures that these patients required

  –Claims submitted to Medicare and Medicaid as a result of this illegal kickback scheme constituted a violation of the False Claims Act

Final payout: $108,000.00

Resource: https://www.99mgmt.com/blog/stark-law-violation-examples

FALSE CLAIMS ACT (FCA)

Justice Department's False Claims Act Settlements and Judgments Exceed $5.6 Billion in Fiscal Year 2021

Second Largest Amount Recorded, Largest Since 2014

The Justice Department obtained more than $5.6 billion in settlements and judgments from civil cases involving fraud and false claims against the government in the fiscal year ending Sept. 30, 2021, Acting Assistant Attorney General Brian M. Boynton of the Justice Department's Civil Division announced today. This is the second largest annual total in False Claims Act history, and the largest since 2014. Settlement and judgments since 1986, when Congress substantially strengthened the civil False Claims Act, now total more than $70 billion.

"Ensuring that citizens' tax dollars are protected from fraud and abuse is among the department's top priorities," said Acting Assistant Attorney General Boynton. "The False Claims Act is one of the most important tools available to the department both to deter and to hold accountable those who seek to misuse public funds."

Of the more than $5.6 billion in settlements and judgments reported by the Department of Justice this past fiscal year, over $5 billion relates to matters that involved the health care industry, including drug and medical device manufacturers, managed care providers, hospitals, pharmacies, hospice organizations, laboratories and physicians. The amounts included in the $5 billion reflect recoveries arising from only federal losses, and, in many of these cases, the department was instrumental in recovering additional amounts for state Medicaid programs.

Read entire article:
https://www.justice.gov/opa/pr/justice-department-s-false-claims-act-settlements-and-judgments-exceed-56-billion-fiscal-year