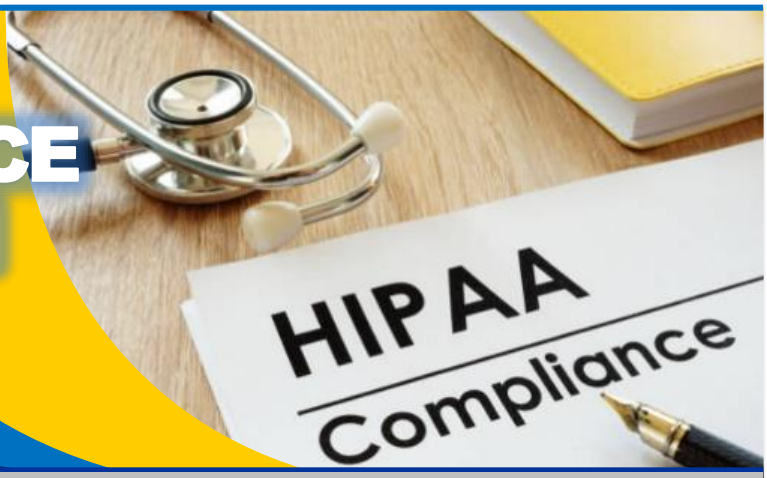
COMPLIANCE CONNECTION

JUNE 2025



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

IN THIS ISSUE

FRAUD & ABUSE LAWS

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

1. ***False Claims Act (FCA):*** *The civil FCA protects the Government from being overcharged or sold shoddy goods or services. It is illegal to submit claims for payment to Medicare or Medicaid that you know or should know are false or fraudulent.*
2. ***Anti-Kickback Statute (AKS):*** *The AKS is a criminal law that prohibits the knowing and willful payment of "remuneration" to induce or reward patient referrals or the generation of business involving any item or service payable by the Federal health care programs (e.g., drugs, supplies, or health care services for Medicare or Medicaid patients).*
3. ***Physician Self-Referral Law (Stark law):*** *The Physician Self-Referral Law, commonly referred to as the Stark law, prohibits physicians from referring patients to receive "designated health services" payable by Medicare or Medicaid from entities with which the physician or an immediate family member has a financial relationship, unless an exception applies.*
4. ***Exclusion Statute:*** *OIG is legally required to exclude from participation in all Federal health care programs individuals and entities convicted of the following types of criminal offenses: (1) Medicare or Medicaid fraud; (2) patient abuse or neglect; (3) felony convictions for other health-care-related fraud, theft, or other financial misconduct; and (4) felony convictions for unlawful manufacture, distribution, prescription, or dispensing of controlled substances.*
5. ***Civil Monetary Penalties Law (CMPL):*** *OIG may seek civil monetary penalties and sometimes exclusion for a wide variety of conduct and is authorized to seek different amounts of penalties and assessments based on the type of violation at issue. Penalties range from $10,000 to $50,000 per violation.*

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

MIDLAND HEALTH

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Louisiana Nurse Practitioner Convicted of $2M Medicare Fraud

A federal jury convicted a Louisiana nurse practitioner for her role in an over $2 million health care fraud scheme.

According to court documents and evidence presented at trial, Shanone Chatman-Ashley, 45, of Opelousas, was a nurse practitioner and enrolled provider with Medicare. Chatman-Ashley worked as an independent contractor for companies that purportedly provided telehealth services to Medicare beneficiaries. As part of the scheme, the defendant caused the submission of false and fraudulent claims to Medicare for medically unnecessary durable medical equipment (DME). Chatman-Ashley routinely ordered knee braces, suspension sleeves, and other types of DME for patients who had not been examined by her or another medical provider. Chatman-Ashley concealed the scheme by signing documentation falsely certifying that she had consulted with the beneficiaries and personally conducted assessments of them. From 2017 to 2019, the defendant signed more than 1,000 orders for medically unnecessary DME, causing over $2 million in fraudulent Medicare claims and over $1 million in reimbursements. In exchange for the orders, Chatman-Ashley received kickbacks and bribes from the telehealth services companies.

"Today, a Louisiana jury convicted Shanone Chatman-Ashley of health care fraud for brazenly cheating Medicare out of its limited resources," said Matthew R. Galeotti, the Head of the Justice Department's Criminal Division. "Dishonest medical practitioners put significant strain on our health care system and reduce the quality of patient care. The Department of Justice will not tolerate medical professionals who fraudulently enrich themselves at the expense of American taxpayers. I thank the prosecutors and our law enforcement partners who worked tirelessly on this case in the pursuit of justice."

"This defendant not only defrauded the Medicare Program but went against everything the medical profession stands for, which is a promise to provide ethical and responsible patient care," said U.S. Attorney Alexander C. Van Hook for the Western District of Louisiana. "She took advantage of beneficiaries who were elderly and handicapped to order items for them that were not medically necessary. This office is committed to continuing to work with our federal partners to stop this type of fraud in the Western District of Louisiana."

"Illegal kickback payments undermine and corrupt the medical decision-making process," said Special Agent in Charge Jason E. Meadows of the U.S. Department of Health and Human Services Office of Inspector General (HHS-OIG). "Both the payer and recipient of kickbacks benefit from these schemes, but it's ultimately the taxpayers who foot the bill. HHS-OIG will continue collaborating with law enforcement and prosecutors to protect the Medicare trust fund that millions of Americans depend on."

Chatman-Ashley was convicted of five counts of health care fraud. She is scheduled to be sentenced on July 31 and faces a maximum penalty of 10 years in prison on each count. A federal judge will determine any sentence after considering the U.S. Sentencing Guidelines and other statutory factors.

Read entire article:
https://www.justice.gov/opa/pr/louisiana-nurse-practitioner-convicted-2m-medicare-fraud

MIDLAND HEALTH Compliance HOTLINE
855•662•SAFE (7233)
ID#: 6874433130
ID# is required to submit a report.
You can make your report or concern ANONYMOUSLY .

MIDLAND HEALTH

MIDLAND HEALTH POLICYTECH

MIDLAND HEALTH • PT POLICYTECH® Policy & Procedure Management

Destruction of Protected Health Information

PURPOSE

This policy will establish guidelines for appropriate destruction of protected health information.

Policy

I. Destruction of patient health information shall be carried out in accordance with federal and state laws, and pursuant to a written retention schedule and destruction policy approved by the Director of HIM (Health Information Management/Medical Records), Chief Executive Officer, Medical Staff and Midland Memorial Hospital legal counsel.

II. The following retention schedule will be used to determine when medical records may be destroyed:
   a. If the patient is 18 years of age or older on the day of treatment, the record for that specific treatment may be destroyed 10 years later.
   b. If the patient is under 18 years of age on the day of treatment, the record for that specific treatment may be destroyed on or after the patient's 20th birthday or on or after the 10th anniversary of the date on which the patient was last treated, whichever date is later.

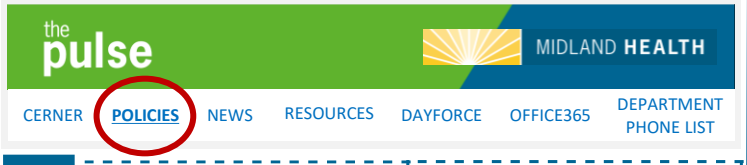
Procedure

I. The Director of HIM or designee will:
   a. Consult the above retention schedule to make sure the required retention period has been fulfilled.
   b. Contact Quality Management to ensure that the record is not subject to pending litigation.
   c. Ensure that the records are destroyed in a manner wherein there is no possibility of information reconstruction.
   d. Ensure that information on back-up media has also been destroyed.
   e. Ensure that the appropriate method of destruction is used:
      i. Paper media – Shredding, pulping or burning
      ii. Microfilm or microfiche – Shredding
      iii. CD-ROM, CD-RW or DVD - Shredding or physically destroying the disk.
      iv. Floppy disk (3.5", 5.25" or other) - Shredding/ physically destroying the disk.

Read entire Policy #88:
"Destruction of Protected Health Information"

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
Phishing Attack and Late Breach Notifications Lead to $600K HIPAA Fine for PIH Health

https://www.hipaajournal.com/pih-health-hipaa-penalty/

LINK 2
OCR Resolves Guam Hospital HIPAA Investigation with a $25,000 Settlement

https://www.hipaajournal.com/guam-memorial-hospital-authority-hipaa-settlement/

LINK 3
New York Neurology Practice Pays $25,000 to Resolve Alleged Risk Analysis Violation

https://www.hipaajournal.com/comprehensive-neurology-hipaa-settlement/

LINK 4
Northeast Radiology Settles Alleged Risk Analysis HIPAA Violation with OCR

https://www.hipaajournal.com/northeast-radiology-ocr-hipaa-settlement/

DATA BREACH SETTLEMENT

Navvis & Company; SSM Health Agree to $6.5 Million Data Breach Settlement

Navvis & Company and SSM Health Care Corporation have agreed to a $6.5 million settlement to resolve all claims related to a 2023 data breach that affected 2.8 million individuals. Navvis & Company is a population health company that partners with health systems, physician enterprises, & health plans to help them with value-based care. SSM Health is a healthcare provider serving patients in Illinois, Missouri, Oklahoma, and Wisconsin. Between July 12, 2023, and July 25, 2023, a cybercriminal group had access to the network of Navvis & Company, exfiltrated sensitive data, and used ransomware to encrypt files. The stolen data included the protected health information of patients and plan members of SSM Health, Arkansas Health Network, Horizon Blue Cross Blue Shield of New Jersey, RWJBH Corporate Services, Hawai'i Medical Service Association, Triple-S Management Corporation, Allina Health, and Florida Medical Clinic.

The forensic investigation confirmed that approximately 2.8 million individuals had their data exposed or stolen in the incident, including names, dates of birth, Social Security numbers, beneficiary HIC numbers, case identification numbers, health plan information, health record information, medical record numbers, diagnosis/clinical information, medical treatment/procedure information, and health insurance information. Notification letters were mailed to the affected individuals on a rolling basis between September 22, 2023, and June 4, 2024.

At least six lawsuits were filed against Navvis & Company and others in response to the data breach. Since the lawsuits asserted similar claims and were based on the same facts, they were consolidated into a single class action complaint.

Read entire article:
https://www.hipaajournal.com/navvis-ssm-health-data-breach-settlement/

HIPAA VIOLATION

New York Woman Avoids Jail for Criminal HIPAA Violation

A New York woman has avoided a jail term for a criminal violation of the Health Insurance Portability and Accountability Act (HIPAA), having been sentenced to probation. She must also pay thousands of dollars in restitution.

On March 23, 2023, Tonya D'Agostino, 53, of Farmington, New York, mailed a parcel via USPS Priority Mail to an individual in Medina, New York. The parcel contained documents that included the individually identifiable health information of four individuals – information classed as protected health information under HIPAA. The information was obtained without authorization, and D'Agostino was not authorized to disclose the information to the recipient of the parcel. The information was disclosed in an attempt to obtain a payment of $216,000.

The Federal Bureau of Investigation (FBI) investigated and D'Agostino was arrested and charged for the HIPAA violation. D'Agostino entered a plea agreement where she agreed to plead guilty to a one-count Misdemeanor Information for a violation of Title 42, United States Code Sections 1320d-6(a)(2) and (b)1 – unlawfully obtaining and disclosing individually identifiable health information.

Individuals can face lengthy jail terms for HIPAA violations, substantial fines, and other sanctions. Under the plea agreement, D'Agostino faced a maximum sentence of 1 year in jail, a fine of up to $50,000, plus a mandatory $25 special assessment and supervised release of up to 1 year.

Read entire article:
https://www.hipaajournal.com/new-york-woman-avoids-jail-for-criminal-hipaa-violation/

Do you have a hot topic or interesting COMPLIANCE NEWS to report?

If so, please email an article or news link to:

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