



OIG ALERT

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OIG ALERTS PHYSICIANS TO EXERCISE CAUTION WHEN REASSIGNING THEIR MEDICARE PAYMENTS

Physicians May Be Liable for 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 of entities prior to reassigning their Medicare payments. Physicians should carefully consider entities to which they choose to reassign their Medicare payments and ensure that the entities are legitimate providers or suppliers of health care items and services.

OIG recently reached settlements with eight physicians who 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 were not actually performed or were not performed as billed.

The failure of the physicians to monitor the services billed using their reassigned 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” rendering the services. Many of the owners and operators of the physical medicine companies were criminally prosecuted. OIG determined that the physicians were an integral part of the scheme and pursued their liability under the Civil Monetary Penalties Law.

Note: A physician who reassigns to any entity his or her right to bill the Medicare program and receive Medicare payments has the right to access the entity’s billing information concerning the services the physician is alleged to have performed and for which the entity billed Medicare. Physicians have unrestricted access to claims submitted by an entity for services that the entity billed using the physicians’ reassigned provider numbers to provide added assurances that the services for which the entity billed Medicare were, in fact, performed and were performed as billed.

This OIG Alert does not alter any individual’s or entity’s obligations under any other applicable Medicare statutes or regulations governing billing or claims submissions.

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