

## HOT TOPICS

### FRAUD/ABUSE

Owners of Physical Therapy Company Charged For Role in Fraud Scheme: The owners of a physical therapy company in Chicago have been charged for their alleged role in a \$45 million fraud scheme. The allegations state that the owners were involved in a fraud scheme involving three home health care companies owned by one of the defendants' mothers. These companies are accused of paying bribe and kickbacks in order to gain Medicare beneficiaries as well as falsifying medical records. For more information, visit <https://www.justice.gov/opa/pr/husband-and-wife-owners-chicago-physical-therapy-company-indicted-schemes-defraud-medicare>

MD Doctor Sentenced for Role in Fraud Scheme: A Maryland doctor has been sentenced to 111 months in prison and three years of supervised release for his role in a fraud scheme involving his pain clinic. The doctor was convicted of defrauding Medicare, Medicaid, and other government programs by submitting claims for procedures that were not actually performed and billing for procedures that were more expensive than the procedures actually performed. Visit <https://www.justice.gov/usao-md/pr/doctor-sentenced-over-nine-years-prison-31-million-health-care-fraud-scheme> for more information.

Owner of MI Home Health Care Company Pleads Guilty to Role in Fraud Scheme: The owner of a home health care company in Michigan has pled guilty to his role in a fraud scheme. The \$4 million health care fraud scheme involved payment to a physician and recruiters for Medicare referrals and falsely signing documents. Sentencing will occur later this year. For more information, visit <https://www.justice.gov/opa/pr/home-health-care-agency-owner-pleads-guilty-4-million-detroit-area-medicare-fraud-scheme>

NY Facility Enters into CIA with OMIG: A New York nursing home has entered into a five year Corporate Integrity Agreement (CIA) with the State's Office of the Medicaid Inspector General (OMIG) after it was found that the facility submitted over 62,000 false claims to the State's Department of Health between 2002 and 2006 that falsely reflected the care required by residents at the facility. For more information, visit <https://www.listbox.com/post/20160411/F32E4898-000B-11E6-BBFC-476E2B6492CC/27169546-291bc172>

NY Nurse Arrested for Theft of Patient Drugs & Related Charges: A registered nurse employed by a New York hospital has been arrested for the theft of patient drugs and falsification of business records to cover up the thefts. The alleged thefts resulted in drugs, including narcotics and controlled substances, not being administered to patients. Visit <http://www.ag.ny.gov/press-release/ag-schneiderman-announces-arrest-nurse-charged-falsifying-patient-records-cover-her> for more information.

Home Health Company Manager Convicted of Fraudulently Billing Medicare: The manager of a home health company has been convicted of fraudulently billing Medicare for unnecessary services. The scheme involved instructing employees of the company to conduct unnecessary visits in the homes of patients who were physically able to leave their homes and to bill

Medicare at the highest level even though the visits did not qualify for such billing. Sentencing will begin this summer. For more information, visit <https://www.justice.gov/usao-ndil/pr/federal-jury-convicts-head-schaumburg-home-health-company-scheme-fraudulently-bill>

Boston Medical Center to Pay \$1.1 Million Following Accusations of Improper Billing: Boston Medical Center has agreed to pay \$1.1 million following accusations that it improperly billed Medicare and Medicaid. The Center allegedly overbilled for a cancer drug, for services at its pre-surgical center, and for podiatry services that were not reasonable or necessary. Boston Medical Center had taken steps to correct the improper billing after learning of the investigation into their practices. For more information, visit <https://www.justice.gov/usao-ma/pr/boston-medical-center-agrees-pay-11-million-resolve-allegations-it-improperly-billed>

North Carolina Orthopedic Company Settles Allegations of HIPAA Violations: A North Carolina orthopedic company has agreed to a settlement in which it will pay \$750,000 to resolve allegations that it violated HIPAA. It was alleged that the company provided a potential business partner with the protected health information of over 17,000 patients without having a Business Association Agreement in place. Visit <http://www.hhs.gov/hipaa/for-professionals/compliance-enforcement/agreements/raleigh-orthopaedic-clinic-bulletin/index.html> for more information.

## EMPLOYMENT

NJ Hospital Facing Fines from OSHA: A New Jersey hospital is facing a \$55,000 fine after the Occupational Safety and Health Administration (OSHA) found that employees were exposed to a high amount of needle-stick injuries and bloodborne pathogens. Visit <http://www.dol.gov/newsroom/releases/osha/osha20160414> for more information.

CA Residential Care Facility to Pay Back Wages to Employees: A California residential care facility is to pay employees close to \$44,000 in back wages after it was found to be in violation of the Fair Labor Standards Act (FLSA). The Department of Labor found that the company had been in violation of the overtime, minimum wage, and record-keeping portions of the FLSA. For more information, visit <http://www.dol.gov/newsroom/releases/whd/whd20160411>

FL Assisted Living Facility to Pay Back Wages to Employees: A Florida assisting living facility is to pay nine employees over \$56,000 in back wages after it was found to be in violation of the minimum wage, overtime, and record-keeping portions of the Fair Labor Standards Act (FLSA). The violations resulted in the company incorrectly classifying 2 employees as independent contractors rather than employees, thereby paying them under minimum wage and failing to pay them for overtime, as well as paying other employees a flat salary regardless of the number of hours that were worked. For more information, visit <http://www.dol.gov/newsroom/releases/whd/whd20160316>

CA Company to Pay Back Wages to Employees: A California call center is to pay approximately \$150,000 in back wages after inappropriately labeling hundreds of workers as independent contractors rather than employees. The mistaken classification caused the workers to be paid below minimum wage and denied them overtime, both violations of the Fair Labor Standards Act (FLSA). For more information, visit <http://www.dol.gov/newsroom/releases/whd/whd20160414>

New York Enacts Paid Family Leave Law: Beginning in 2018, New York will be the fifth state with a paid family leave law. The law will provide up to 12 weeks of job leave for employees of any company, regardless of size, to care for a family member with a serious health condition; to welcome a new child after birth, adoption, or foster care placement; or in the case of active duty by a spouse, partner, child, or parent. Visit

[http://www.lexology.com/library/detail.aspx?g=e012901a-e84b-41e3-a914-7e8430d12df7&utm\\_source=lexology+daily+newsfeed&utm\\_medium=html+email+-+body+-+general+section&utm\\_campaign=lexology+subscriber+daily+feed&utm\\_content=lexology+daily+newsfeed+2016-04-19&utm\\_term](http://www.lexology.com/library/detail.aspx?g=e012901a-e84b-41e3-a914-7e8430d12df7&utm_source=lexology+daily+newsfeed&utm_medium=html+email+-+body+-+general+section&utm_campaign=lexology+subscriber+daily+feed&utm_content=lexology+daily+newsfeed+2016-04-19&utm_term) for more information.

#### CMS - MEDICARE & MEDICAID

Bundled Pay Participation Extended: CMS has announced that awardees in Models 2, 3 &4 of the Bundled Payments for Care Improvement initiative that began in 2014 may extend their participation until September 30, 2018. For more information, visit

[http://www.mcknights.com/news/cms-extends-participation-for-bundled-pay-initiative/article/490537/?DCMP=EMC-MCK\\_Daily&spMailingID=14259123&spUserID=MjQ0MjEyNTAxNzY3S0&spJobID=761344108&spReportId=NzYxMzQ0MTA4S0](http://www.mcknights.com/news/cms-extends-participation-for-bundled-pay-initiative/article/490537/?DCMP=EMC-MCK_Daily&spMailingID=14259123&spUserID=MjQ0MjEyNTAxNzY3S0&spJobID=761344108&spReportId=NzYxMzQ0MTA4S0)