



Claims Scenario #1: Billing Errors

Nature of Loss: A physician's routine post-payment review, conducted by a fiscal agent of the Federal Medicare Program, focused on claims paid by Medicare to determine the appropriateness of Medicare payments made to specific providers over a selected period of time. The findings alleged that the doctor was Over-utilizing certain procedure codes and Medicare calculated that they had overpaid \$751,507 to the Physician. When Medicare requested reimbursement, the physician retained an attorney to challenge the allegations. Two years later, Medicare re-calculated the amount which was reduced to \$635,118. After continued appeals for another two years, and an appearance before an administrative law judge, the review findings were dismissed and Medicare was obligated to reimburse money to the physician.

ATTORNEY COSTS: \$75,000 Plus costs for an independent consultant to review his records

Claims Scenario #2: HIPAA

Nature of Loss: A provider contracted a software vendor to develop and maintain an online system to capture demographic and other personal patient health information for the purpose of scheduling appointments. The website was not properly secured by the vendor and patient information was able to be viewed by anyone visiting the site. A regulatory complaint was filed by a patient against the provider. The regulatory agency immediately contacted the provider regarding the sensitive information available to unauthorized users on the website and requested the site be shut down immediately. The provider contacted the software vendor, who promptly corrected the defects in the program.

ATTORNEY COSTS: \$42,000

Claims Scenario #3: STARK

Nature of Loss: A healthcare system self-disclosed acts of violating the Anti-Kickback Statute provision of the Stark Law. The government alleged that the healthcare system provided IT resources to non-employee physician groups Without prior written contracts. The healthcare system reported that it failed to document IT agreements With multiple physician practices/groups, and failed to bill and collect for those IT sources.

AMOUNT PAID: \$780,000

MEDASSURE™ CLAIMS SCENARIOS

