



GLOBAL HEALTH CARE ANTI-FRAUD NETWORK

2nd Global Summit

Healthcare Fraud:
Prevention is better than cure



25-26 October 2012
Beaumont Estate, Old Windsor, UK





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Healthcare Fraud: Prevention is better than cure

- Fraus omnia corrumpit -

Clinical Coding Fraud & Abuse

October 26, 2012 London, UK

John S. Yao

MD, MPH, MBA, MPA, CPC, FACP

Senior Medical Director

Blue Shield of California

San Francisco, California





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U.S. healthcare system squanders 33¢ for every dollar spent, an estimated \$750 billion annually – Institute of Medicine

\$75 billion due to fraud

\$210 billion due to unnecessary services





CONTENT

- Notorious Healthcare Fraud Schemes
- Disability Pension Scam
- Overutilization / Over Billing
- Clinical Coding Fraud
- EECP – Angina & Congestive Heart Failure





Notorious Healthcare Fraud Schemes

- Rent-a-Patient schemes
 - Notorious SoCal hyperhidrosis case, 2007
 - Two types: conspiracy vs. unsuspecting
- Pill Mill schemes - IVIG / Factor VIII
 - Pharmacy Fraud. Recruit for expensive IVIG / Factor VIII; dosing
 - Drug middlemen resale of expensive Rx or narcotics
- Hit-&-Run / Drop Box schemes
 - Drop box (mail receiving outlets) rental + phony clinics
 - “Shock & Awe” massive billing / quick strike and retreat (disappear/mutate)





Notorious Healthcare Fraud Schemes

- 3rd Party Billing schemes
 - Billing through Medicare FI and/or Carrier – difficult to detect due to sheer volume and complexity
 - Generate computerized claims of recruits and submit to TPB
 - Physician Mgmt Co./Broker submitting extra claims unbeknownst to providers
- DME schemes
 - Billing for excessive or useless items, using high RVU codes
 - Wheelchair + accessories
 - Limb prostheses
 - Oximetry / O₂ - CO₂ monitors

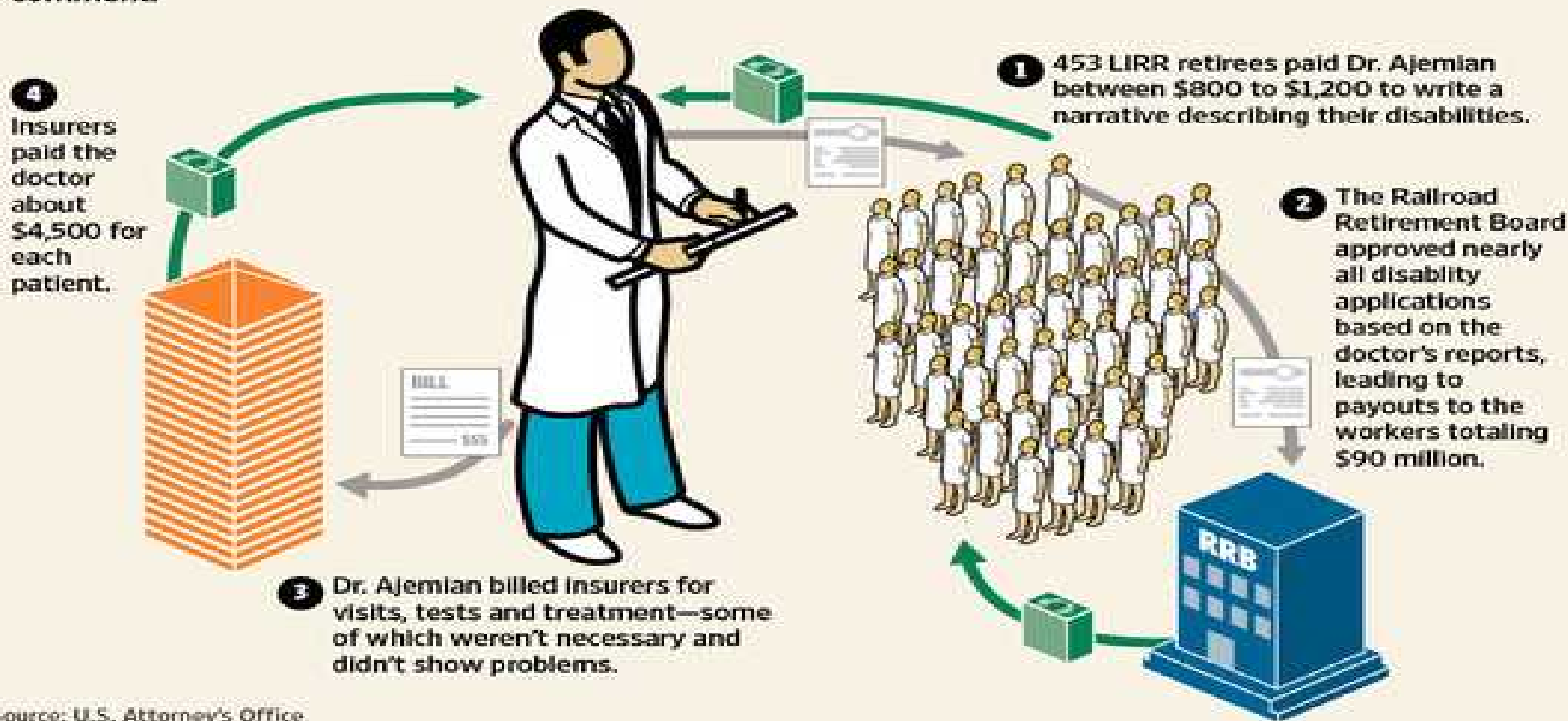




Disability Pension Scam

Tracking the Money

Here's how prosecutors say Peter Ajemian, one of the doctors allegedly involved in the Long Island Rail Road disability fraud, made \$2.5 million from the alleged scheme. Dr. Ajemian's lawyer declined to comment.





Disability Pension Scam

- WSJ (10/28/11): Long running scheme to defraud LIRR up to \$1 billion
- Disability: Severe pain when gripping and using simple hand tools and pain in knees, shoulders and back from bending or crouching
Prosecutors say: Defendant signed in to play golf at a course 140 times over nine months in 2008.
- Disability: Activities such as walking and standing cause 'disabling pain' and stairs are 'very difficult.'
Prosecutors say: Defendant was seen vigorously exercising at a gym for more than two consecutive hours, including a step-aerobics class.
- Disability: 'Disabling pain in back, shoulder & legs'
Prosecutors say: Defendant completed a 400-mile bike tour in 2009.





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Overutilization

New York Times – November 14, 2011

- Doctors who earn money for cardiac stress testing are much more likely to prescribe the tests than those who don't, a new study has found.
- Researchers at Duke University studied data on 17,847 patients nationwide who had cardiac bypass surgery or coronary angioplasty, checking to see how often doctors prescribed nuclear stress tests and echocardiograms later than 90 days after discharge. Their results appeared in *The Journal of the American Medical Association*.



Overutilization

Are Physicians Doing Too Much Colonoscopy? A National Survey of Colorectal Surveillance after Polypectomy*

Pauline A. Mysliwiec, MD, MPH; Martin L. Brown, PhD; Carrie N. Klabunde, PhD; and David F. Ransohoff, MD

24% (95% CI, 19.3% to 28.7%) of gastroenterologists and 54% (CI, 44.9% to 62.5%) surgeons recommended surveillance for a hyperplastic polyp.

For a small adenoma, most physicians recommended surveillance colonoscopy and >50% recommended every 3 years or more often.

Only half of respondents (MD) reported that guidelines were very influential.

* *Annals of Internal Medicine*, 2003





Overutilization

- Automatic Implantable Cardioverter Defibrillator (AICD)
 - Am. College Cardiology/Am. Heart Assoc. Guidelines
- Cardiac Catheterization & Coronary Stents
 - 33% meaningful use?
 - FFR measurement to guide PCI-Stents?
- Obstetric Ultrasound & All Sonograms in general
 - Also, other imaging: Office-based MRI
- Propofol (Diprivan™) – 100% vs. 20%
 - Colonoscopy + others
- Nerve Conduction Velocity (NCV) / Electromyography (EMG)





Clinical Coding Fraud & Abuse

- Split Claims
 - e.g., CPT code 64493 - paravertebral zygapophyseal (facet) joint injection + 77002 (fluoroscopic guidance), 77012 (CT)
 - e.g., HCPCS S0199 - medically induced abortion by oral medication including all associated services and supplies (e.g., patient counseling, office visits, confirmation of pregnancy by HCG, ultrasound to confirm duration of pregnancy, ultrasound to confirm completion of abortion)



- Upcoding
- Unbundling / Mutually Exclusive (NCCI Columns I/II)



Clinical Coding Fraud & Abuse

- Units of Service / MUE
 - e.g., 95004 - Percutaneous tests (scratch, puncture, prick) with allergenic extracts, specify number of tests
 - e.g., A4253 - Blood glucose test or reagent strips for home blood glucose monitor, per 50 strips
- Scope of Licensure ('scope creep')
 - PT / OT / ST – ABA & PDD
 - Chiropractics
 - Podiatrist
 - Optometrist
 - Midwife
 - Audiologist





Clinical Coding Fraud & Abuse

- Pain Pump Refill & Drug Compounding
 - J3490
- MD Drug Dispensary
- After-Hour Services /Prolonged Services
- Tele-Health Services
- Air Ambulance
 - A0430, A0435, A0436





Pain Pump Fills/Refills

- Implanted pain pumps for pain management
- Clonidine (J0735) & Sufentanyl (J3490)
 - Billed charge \$2,815.12
 - Pharmacy invoice of \$220 (J0735) and \$20 (J3490)
- Morphine (J2275)
 - Billed charge \$600 / invoice \$25
- Baclofen (J0475)
 - Billed charge \$2,800 / invoice \$250





MD Drug Dispensary

- MDs prescribe Rx, but can they also dispense drugs?
- MD 'dispensary' vs. pharmacy (drug stores)
 - MD office drug samples: repackaging for sale = FRAUD
 - MDs – middlemen – drug distributors collaboration
 - MD dispenses drugs directly to patients via in-house 'pharmacy' and bills insurers inflated prices. \$\$\$ in additional revenue.
 - \$3.25 Zantac (per pill) vs. 35¢ per pill at drug store
 - Florida state bill to bar MD dispensary defeated
 - Stark Law? Especially prevalent in Workers' Comp cases.





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Air Ambulance

- (De-) Regulated under Airline Deregulation Act of 1978 in U.S.
 - prohibited states from adopting or enforcing regulations which affected rates charged by air carriers as defined by the Act.
- HCPCS A0430 & A0431 - Ambulance service, conventional air services, transport, one way (fixed wing) & (rotary wing)
 - Billed charge average = \$50,000
- HCPCS A0435 - Fixed wing air mileage, per statute mile
 - Billed charge average (103 miles) = \$48,000
- HCPCS A0436 - Rotary wing air mileage, per statute mile
 - Billed charge average = \$53,000



“Insurance company pays for it”



Sipuleucel-T (Provenge)

- Autologous cellular immunotherapy ('vaccine') for prostate ca.
 - peripheral blood mononuclear cells cultured with fusion protein to treat hormone (castration) refractory metastatic prostate cancer
- Series of (total) three IV infusions/treatments over 6-week course
- HCPCS Q2043 - Sipuleucel-T, minimum of 50 million autologous cd54+ cells activated with PAP-GM-CSF, including leukapheresis and all other preparatory procedures, per infusion
 - Billed charge varies from \$45K-\$100K per dose
 - Unbundling – e.g., 'leukapheresis charge' (CPT 36511)
 - Additional chemotherapy infusion charge (CPT 96413-96417)
- Beware: MUE a must = 3 doses maximum cap





Cardiology: EECP for Angina & CHF

- Enhanced External Counterpulsation (EECP) may stimulate the openings or formation of collaterals (small branches of blood vessels) to create a natural bypass around narrowed or blocked arteries.
- Enhanced external counterpulsation is considered investigational for the treatment of congestive heart failure or chronic stable angina pectoris.
 - HCPCS code G0166 = denied service
 - external counterpulsation, per treatment session
 - CPT code 92971 = payable service
 - cardioassist-method of circulatory assist; external
 - allowed amount = ~ \$110 per treatment session





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Flow Cytometry

- Characterization and measurement of cells and cellular constituents
- Fluorescent-labeled cells suspended in fluid and passed through focused light
 - sensor detects the scattered or emitted light measures the size and molecular characteristics of individual cells; tens of thousands of cells can be examined per minute and the data gathered are processed by computer
- CPT 88182, 88184, 88185, 88187, 88188, 88189
 - Flow cytometry – cell surface, DNA analysis, cytoplasmic or nuclear marker
 - MUE issue

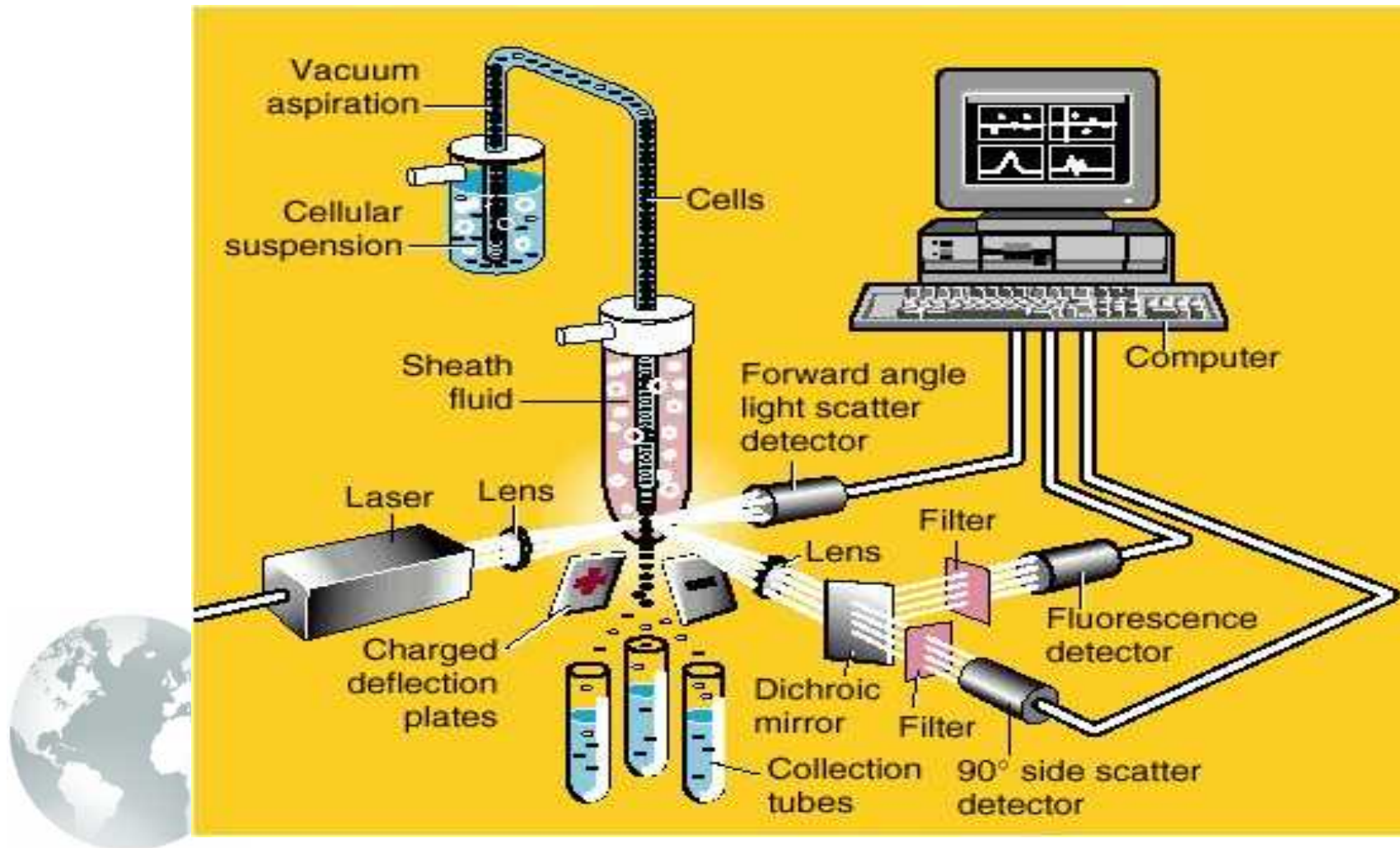
88185 - Flow cytometry, cell surface, cytoplasmic, or nuclear marker, technical component only; each additional marker (List separately in addition to code for first marker)





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Flow Cytometry





Provent[®] Sleep Apnea Therapy

- Marketed as “sleep apnea treatment without CPAP”
 - “clinically proven obstructive sleep apnea treatment effective for mild, moderate, and severe OSA”
- Also marketed as therapy for snoring
- Considered investigational by many insurance companies
 - e.g., Aetna clinical policy bulletin (2011, 2012): investigational
- HCPCS E1399 – DME, misc.
 - ‘Nasal Expiratory Resistance Device’ x 30 units or more





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Provent[®] Sleep Apnea Therapy





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HydroStat Hydrogen Breath Tester™





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HydroStat Hydrogen Breath Tester™

Company's marketing verbiage –

- Improves patient care and outcomes by diagnosing small intestinal bacterial overgrowth, fructose malabsorption, and lactose intolerance
- Provides complete system of treatment with seamless practice integration
- Includes treatment protocols, customized patient awareness tools and educational handouts





HydroStat Hydrogen Breath Tester™

- CLIA exempt - No special certification or licensing is required; any staff member can administer
- Profitable: The HydroStat is covered by Medicare, Medicaid, and virtually all private and managed care insurance plans
- CPT 91065 - Breath hydrogen test (eg, for detection of lactase deficiency, fructose intolerance, bacterial overgrowth, or oro-cecal gastrointestinal transit)
 - \$110 fee schedule





SIBO & Hydrogen Breath Test

- Hydrogen Breath Test used in dx of SIBO
- How to detect potential F&A –
 - Fasting for at least 12 hours required prior to test.
 - At the start of the test, the patient blows into and fills a balloon with a breath of air.
 - Concentration of hydrogen is measured in a sample of breath removed from the balloon. The patient then ingests a small amount of the test sugar (lactose, sucrose, sorbitol, fructose, lactulose, etc. depending on the purpose of the test).
 - Additional samples of breath collected and analyzed for hydrogen every 15 minutes for three and up to five hours.





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Mobile (Dental) Anesthesia

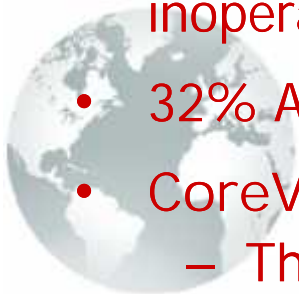
- CPT 00170
- CPT 41899





Transcatheter Aortic Valve Replacement (TAVR)

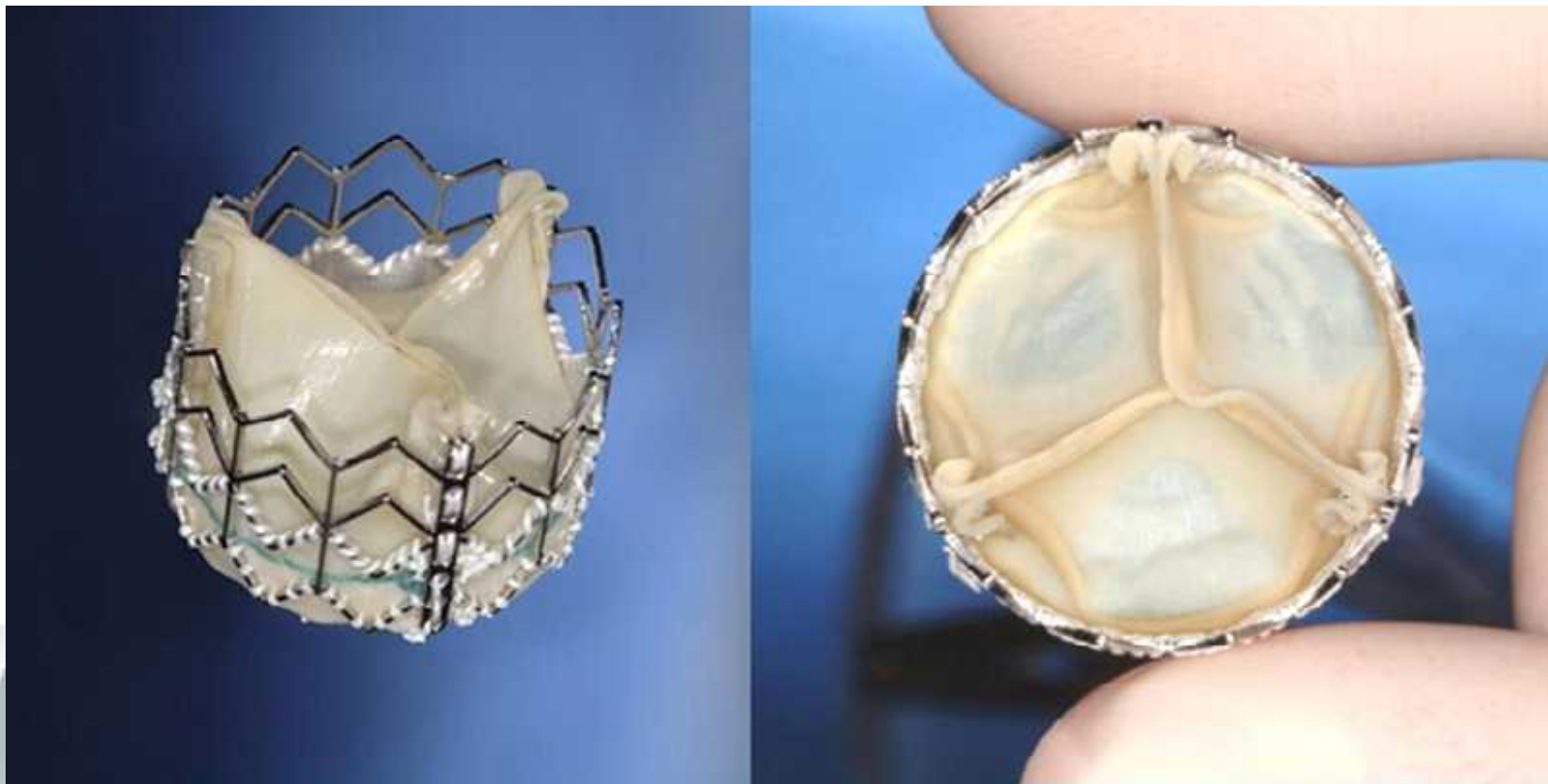
- Nov. 2011 – FDA approval of Edwards-Sapien TAV
- Estimated cost: \$30K device / \$75K total
- PARTNER clinical trials – published 2010
 - Non-inferior to surgical (open) AVR: 1-year mortality 25%
 - TAVR neurologic events higher 30 days (5.5% vs 2.4%) and 1 year (8.3% vs 4.3%)
 - Major vascular events higher 30 days (11% vs 3.2%)
- Reserved for patients medically too high-risk for surgical AVR / medically inoperable.
- 32% AV patients high-risk for open AVR surgery – thoracotomy / CPB
- CoreValve (by Medtronic) - IDE status from FDA Oct. 2010
 - Thinner device / already in use in Europe / US pivotal trial Dec. 2010





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Transcatheter Aortic Valve (TAVR)

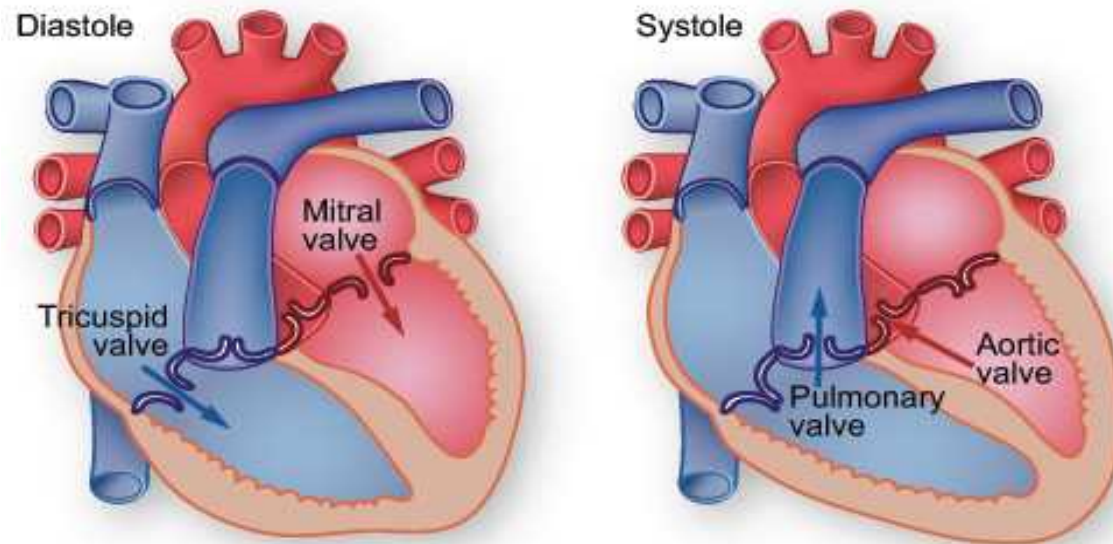


Medscape

Source: JACC © 2009 American College of Cardiology Foundation



Transcatheter Aortic Valve (TAVR)





Transcatheter Aortic Valve (TAVR)

- 0256T - Implantation of catheter-delivered prosthetic aortic heart valve; endovascular approach
- 0257T - Implantation of catheter-delivered prosthetic aortic heart valve; open thoracic approach (eg, transapical, transventricular)
 - Includes temporary cardiac pacing, contrast injection, and image guidance / fluoroscopic radiological supervision and interpretation.
 - Excludes minithoracotomy (32095 - Thoracotomy, limited, for biopsy of lung or pleura / 33243 - Removal of pacing cardioverter-defibrillator electrode(s); by thoracotomy)
 - Excludes cardiac catheterization (934xx) at time of TAVI!
- 35.22 – Other replacement of aortic valve





Transcatheter Mitral Valve Implant (MitraClip)

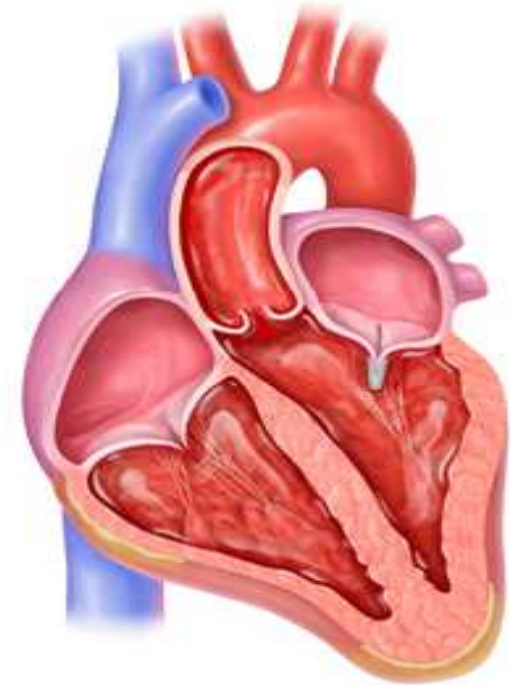
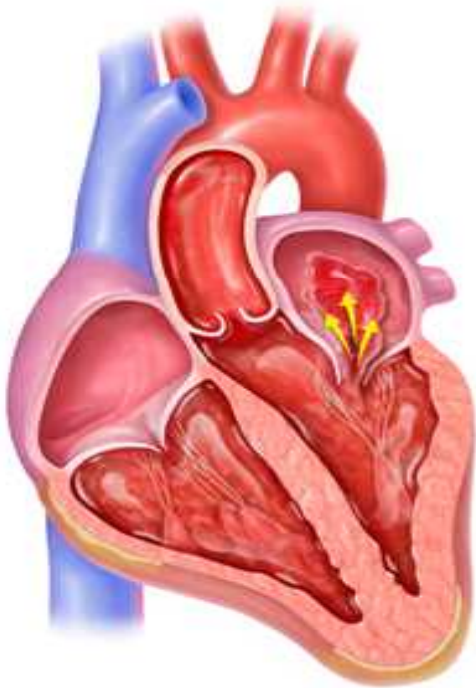
- Transcatheter mitral valve repair via MitraClip device (Abbott / Evalve)
- PMA submitted to FDA in 2010
 - FDA review in 2011
- Abbott worldwide recall May 2010
- EVEREST II clinical trials – published April 2011
 - MitraClip less effective than surgical (open) MVR
 - 23% with Grade 3+/4+ residual MR vs surgery at d/c
 - At 1-year, 20% MitraClip patients required MVR surgery
- 93799 - Unlisted cardiovascular service or procedure
- 92987 - Percutaneous mitral valve balloon valvuloplasty
- 35.24 – Other replacement of mitral valve





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MitraClip



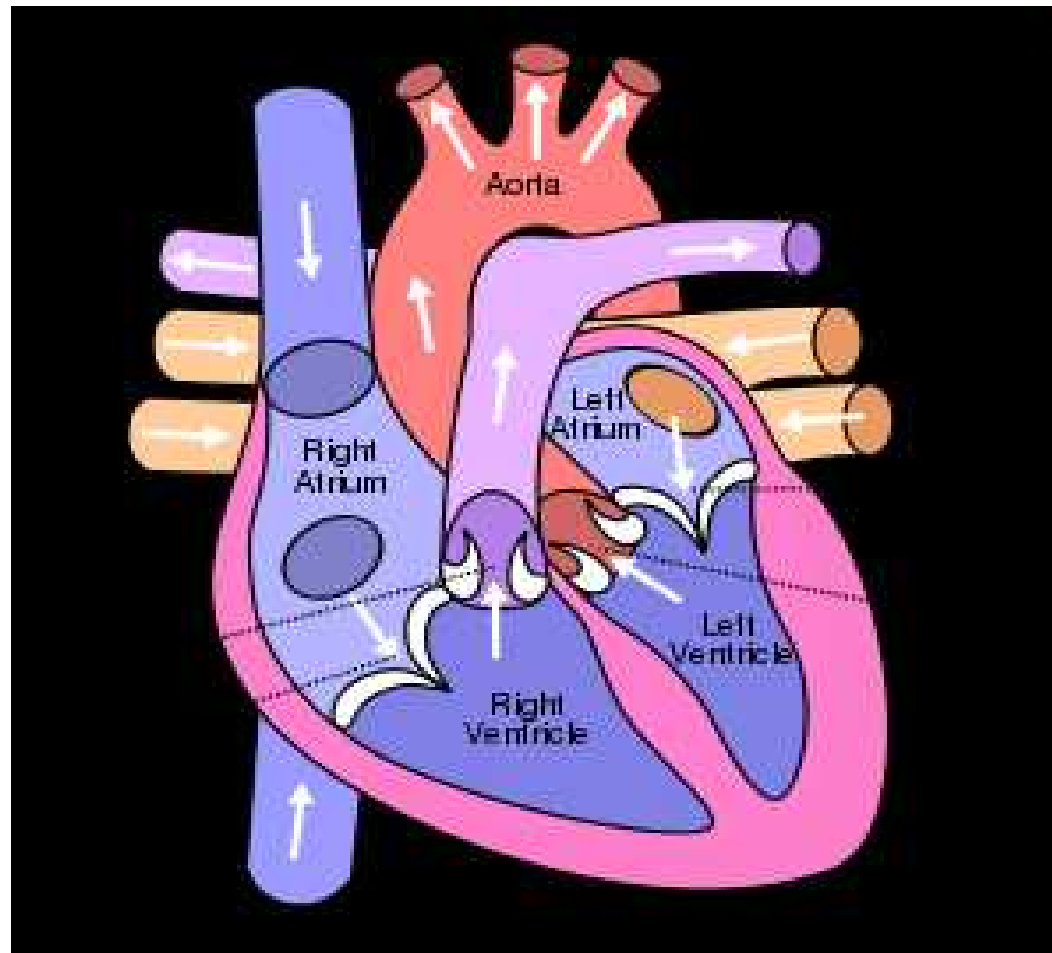
Transcatheter Pulmonary Valve Implant (Melody)

- FDA Humanitarian Device Exemption (HDE) approval on January 25, 2010
 - Prior h/o congenital heart repair, with RVOT dysfunction.
 - High risk for repeat surgery or multiple prior thoracotomies
- 0262T: Implantation of catheter-delivered prosthetic pulmonary valve, endovascular approach
- US Melody TPV trial - prospective multicenter uncontrolled trial from five clinical sites





Transcatheter Pulmonary Valve Implant (Melody)





Transcatheter Pulmonary Valve Implant (Melody)

- 0262T - Implantation of catheter-delivered prosthetic pulmonary valve, endovascular
- 35.26 - Other replacement of pulmonary valve
- 02RH3JZ / 02RH4JZ - Surgery, heart and great vessels, replacement, pulmonary valve, synthetic substitute, percutaneous or percutaneous endoscopic





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Platelet-Rich Plasma

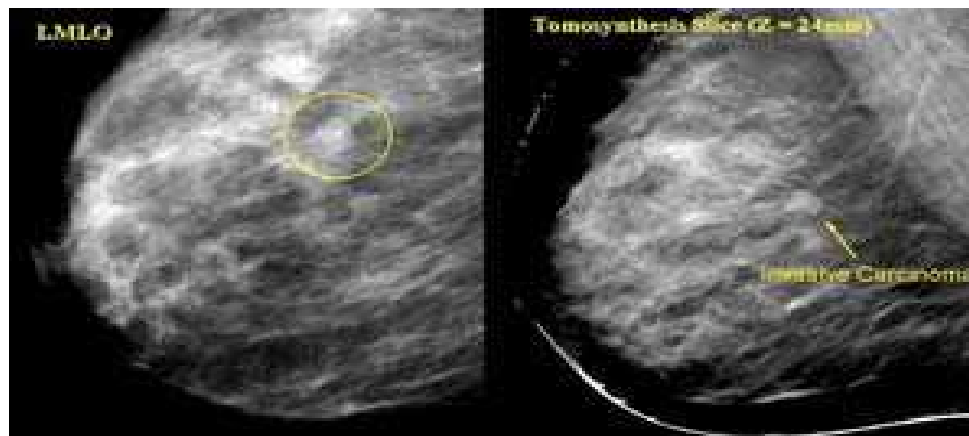
- Platelets contain platelet-derived growth factors
- Autologous platelet-rich plasma reinjected into tissue or joint space for bone growth, tendonopathy or ligament repair, in conjunction with orthopedic surgery
- Considered investigational/experimental
- 38206, 38230, 86999, 20926 S9055, P9020





Breast Tomosynthesis (Hologic, GE, Siemens)

- Next-generation breast cancer screening beyond current digital mammography.
- Potential for improved sensitivity with lower FP rate.
- Currently awaiting FDA approval
- No CPT / HCPCS code





Breast Tomosynthesis

- Breast imaging - screening
 - Film screen (traditional) mammography
 - Digital mammography
 - (Breast ultrasound) – ABUS
 - Breast MRI – not recommended for screening (or not recommended for average-risk screening) due to lower specificity.
 - Breast tomosynthesis?
 - Higher sensitivity and specificity? (small clinical trial)





Breast Tomosynthesis

- Received FDA approval in January 2011
- No specific CPT or HCPCS –
 - 76499 + G0202, G0204, or G0206 for FFDM
 - Incorrect to code 3-D reconstruction code + FFDM code
- Considered investigational by major payers (Blues; UHC; Aetna; CIGNA)
- No NCD or LCD





Automated Whole Breast US (ABUS)

- September, 2012: FDA approval of first Automated Whole Breast 3-D Ultra Sound system for breast cancer screening.
- Findings of ongoing clinical trial (INSIGHT study) to be presented at Radiologic Society of N. America annual meeting in December, 2012.
- ABUS = statistically significant improvement in US sensitivity?
- CPT/HCPCS





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