

LESTER PERLING'S HYPOTHETICALS

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Hypothetical #1

Your client is the administrator of a group practice. The practice has decided that because of the administrative burden and costs associated with collections it would just waive copayments and deductibles for its insured patients but continue to charge the insurer the usual and customary charge for the service. In addition, the practice is establishing a prompt payment discount for patients that fulfill their cost-sharing obligations at the time of service. This prompt payment discount would be applied contemporaneously to the services provided to the patient.

HYPOTHETICAL #2

Your client is a solo physician practice. A police officer comes to the practice and asks questions about the treatment provided to a particular patient. The police officer explains that he is conducting a preliminary investigation involving that patient and explains that he needs to know what medication the physician has prescribed to the patient. The police officer does not have a court order or subpoena for the medical records. How should you advise the physician to respond to the police officer's request?

HYPOTHETICAL #3

You represent a physician practice that is enrolled in the Medicare and Medicaid programs. During a routine internal audit the practice's billing manager discovered that certain claims submitted to and reimbursed by the Medicare and Medicaid programs were "upcoded." The billing manager brings this error to your attention. What are the practice's obligations under state and federal law?

HYPOTHETICAL #4

You represent a hospital that has a lease rental arrangement with an orthopedic physician's practice. Under the arrangement, the physician pays the hospital a fair market value monthly rent to lease office space from the hospital. The rental agreement expired 8 months ago but the physician has continued to occupy the space and continues to pay the rental amount outlined in the expired agreement. What are the implications under the STARK law?

HYPOTHETICAL #5

Your client is a physician practicing with a group practice. Your client's first cousin is a minority owner of a home health agency. Your client and the other physicians in the group refer patients to the cousin's home health agency for care. In addition, your client's wife is a specialty physician who owns an

independent practice to which your client and the other physicians in the group refer patients. Are these referral problematic under state and federal law?