



OIG NEWS

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Office of Inspector General
Department of Health & Human Services
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Report Analyzes Claims From 2006 and Determines that Three Counties Account for Disproportionate Amounts

Washington, DC — Inspector General Daniel R. Levinson announced today that the Office of Inspector General (OIG) for the Department of Health & Human Services has quantified the disproportionate number of claims that are submitted to Medicare for payment of services for beneficiaries with HIV/AIDS in three South Florida counties. The review revealed that Miami-Dade, Broward, and Palm Beach, account for half the claims submitted to Medicare for 79 percent of drugs billed nationally for infusion Medicare beneficiaries with HIV/AIDS.

The three counties constituted 50 percent of nationwide charges, and 37 percent of nationwide services between July and December 2006. Yet, only 10 percent of Medicare beneficiaries with HIV/AIDS live in these three counties. Although drug claims represented just 16 percent of submitted charges in other geographic areas, the South Florida total was 61 percent. Average submitted charges per beneficiary with HIV/AIDS in South Florida were approximately nine times those in the rest of the country.

The OIG report found that in the last half of 2006, 38 percent of the total charges providers in the 3 South Florida counties submitted to Medicare were for HIV/AIDS patients, but in the rest of the nation, beneficiaries with HIV/AIDS accounted for fewer than 3 percent of providers' submitted charges.

“We recommend that the Centers for Medicare & Medicaid Services treat South Florida as a high-risk area and mandate site visits for certain types of providers before issuing provider numbers,” said Inspector General Levinson. “Medicare continues to be highly vulnerable to fraud and abuse and immediate steps must be taken to protect the program and its beneficiaries,” Levinson concluded.

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CMS has had limited success controlling aberrant billing for infusion therapy for beneficiaries with HIV/AIDS. Traditional administrative actions such as claims edits and provider number revocations have not proven effective in eliminating the problem.

Last month, CMS initiated a demonstration project to curb these South Florida Medicare infusion billings. Under this demonstration project, among other things, providers will be required to resubmit applications to show they are fully qualified, CMS may institute site visits and enhanced review for high-risk providers, and the agency will send out beneficiary summary notices on a monthly rather than quarterly basis to increase scrutiny of the billings.

While the problems were most egregious in South Florida, the OIG report found that some other metropolitan areas exhibited similar claims patterns. As more controls are instituted in that region, the aberrant billing patterns observed there may spread to other geographic areas.

To read the full report, please go to:

<http://www.oig.hhs.gov/oei/reports/oei-09-07-00030.pdf>

For the Press Release on CMS efforts in this area:

<http://www.hhs.gov/news/press/2007pres/08/pr20070820a.html>

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