Health Law Daily Wrap Up, HEALTH CARE REIMBURSEMENT NEWS—Some new providers still unable to enroll in high-risk fraud areas, (Feb. 1, 2016)

Health Law Daily Wrap Up

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The temporary ban on enrollment of new ground ambulance suppliers and home health agencies in certain metropolitan areas has been extended for Medicare, Medicaid, and the Children’s Health Insurance Program (CHIP). In an advance release, CMS explained that the moratoria would continue for an additional six months in an effort to combat fraud, abuse, and waste to government programs.

Authority and previous moratoria. The Patient Protection and Affordable Care Act (ACA) (P.L. 111-148), section 6401(a), provided HHS with the authority to impose a moratorium on enrollment of new providers if it is found to be necessary to protect program integrity. CMS, the HHS Office of Inspector General (OIG), and the Department of Justice (DOJ) together analyzed fraud trends and activities to determine that nine geographic areas were at high risk of fraud, abuse, and waste.

HHS first exercised this authority in a July 31, 2013 notice (78 FR 46339), which provided a detailed explanation of the decision and prevented enrollment of home health agencies in Miami, Florida and Chicago, Illinois, as well as ambulance suppliers in Houston, Texas. This moratorium was later expanded to Ft. Lauderdale, Florida; Dallas, Texas; Houston, Texas; Detroit, Michigan; and Philadelphia, Pennsylvania and has been renewed at six-month intervals (see CMS extends temporary moratoria for some HHAs and ambulance suppliers, July 27, 2015).

Current areas. The ground ambulance moratoria are currently imposed on Houston, Texas and Philadelphia, Pennsylvania, as well as the surrounding counties, which include some counties in New Jersey. The home health agency moratoria are imposed on the following areas and surrounding counties:

- Ft. Lauderdale, Florida;
- Miami, Florida
- Chicago, Illinois;
- Detroit, Michigan
- Dallas, Texas; and
- Houston, Texas.

CMS concluded that the extension of moratoria will not result in barriers to access to care for beneficiaries in these areas. The agency will continue to monitor the locations for such issues. At such time that CMS allows the moratoria to expire, new enrollment applications from these areas will be designated to a high screening level for six months.

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