

## Report on Medicare Compliance Volume 27, Number 39. November 05, 2018 Hospital Settles Case for \$2.27M Over M.D. Lease With Other Entity

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UNC REX Healthcare (UNC Rex), a hospital in Raleigh, North Carolina, agreed to pay \$2.27 million to settle allegations over a physician lease that violated the civil monetary penalty law prohibiting kickbacks, the HHS Office of Inspector General said.

UNC Rex reported a problem with the lease to OIG earlier this year and was accepted into its Self-Disclosure Protocol on May 30. The hospital explained that it loaned one of its employed cardiologists to another entity for the purpose of providing cardiology services from Sept. 26, 2015, through Feb. 20, 2018. The hospital paid the cardiologist's salary and bonus, while the entity paid a fee to the hospital for the lease of the cardiologist, according to the settlement.

But the money didn't match. OIG alleges the hospital paid the cardiologist remuneration in the form of salary and bonuses that were greater than the entity's lease fee to UNC Rex, "and that should have been paid by" the entity. The settlement resolves the hospital's "alleged liability under the Civil Monetary Penalties Law for its improper submission of claims to Federal health care programs when its arrangement with [the entity] allegedly violated the Anti-Kickback Statute," according to the OIG's "event narrative."

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