

Report on Medicare Compliance Volume 29, Number 24. June 29, 2020 In \$16M FCA Settlement, DOJ Alleged Outpatient Orders Were Overturned

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Piedmont Healthcare Inc. in Atlanta has agreed to pay \$16 million to settle false claims allegations over the twin compliance risks of billing for admissions instead of outpatient or observation services and paying more than fair market value for a medical group in violation of the Anti-Kickback Statute, the U.S. Attorney's Office for the Northern District of Georgia said June 25.^[1]

The false claims lawsuit against the health system was set in motion by a former Piedmont Healthcare physician who became a whistleblower. He alleged that procedures were performed on an inpatient basis even though physicians ordered outpatient or observation status.

The U.S. attorney's office said the settlement resolves allegations that from 2009 to 2013, "Piedmont's case managers allegedly overturned the judgment of its treating physicians on numerous occasions and billed Medicare and Medicaid at the more expensive inpatient level of care even though the treating physicians recommended performing the procedures at the less expensive outpatient or observation level of care."

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