

Open Payments Physician Review and Dispute Period Began on April 6 and will last for 45 days: As part of the Open Payments program (“Sunshine Law”) physicians and teaching hospitals can review payments attributed to them beginning on April 6, 2015. Drug and medical device makers (“Applicable Manufacturers”) are required to report certain payments made to physicians and teaching hospitals on an annual basis. Physician and teaching hospital participation in the program is voluntary, but it is encouraged that physicians and teaching hospitals review, and if necessary, dispute payments that are attributed to them before the information is made public on June 30, 2015. After the review and dispute period ends, physicians and teaching hospitals can continue to register and initiate disputes, but resolutions of disputes will not be publicly displayed until the next reporting cycle. To review data, physicians and teaching hospitals must register in both the CMS Enterprise Portal and the Open Payments system. This is the second reporting cycle for Open Payments and it covers payments made by Applicable Manufacturers in 2014. Last year, CMS published information about 4.45 million payments valued at \$3.7 billion for the last five months of 2013. For more information, practices should visit www.cms.gov/openpayments/.

CMS Imposes Record Number of Medicare Advantage Fines in Q1: During the first quarter of 2015, the CMS has fined Medicare Advantage plans at a record pace. The CMS fined practices to the tune of almost \$2.5 million in civil monetary penalties. In comparison, there was a single \$50,000 fine in the first three (3) months of 2014. The CMS also lifted enrollment sanctions on three (3) companies that had fallen far out of compliance, saying their deficiencies had been rectified. Civil monetary penalties are the most common and lowest-level enforcement actions the CMS takes. Intermediate sanctions, such as immediately suspending a health plan from marketing or enrolling members, are considered to be more damaging to the insurer’s business. Although the monetary amount of fines pales in comparison with the billions of dollars Medicare pays private Advantage health plans every year to cover beneficiaries, it is a clear sign of the heightened level of scrutiny and auditing by the CMS.

New Jersey Governor Chris Christie Expands Medicaid: New Jersey Gov. Chris Christie recently moved to expand Medicaid in New Jersey. Since he accepted an expansion of Medicaid in New Jersey two (2) years ago, 400,000 new recipients have enrolled, state officials say. Overwhelmed by the surge, some New Jersey counties hired overtime staff to process applications. The expansion allows people under 65 years old who make less than 133% of the federal poverty level to sign up. Federal government figures show about 70 million people are now in the system. Demand has far outpaced expectations by experts at Rutgers University, who expected about 235,000 people to enroll in New Jersey. So far, more people have enrolled in Medicaid than private insurance. Enrollment has climbed even in the state’s most affluent areas. In Hunterdon County, workers have sometimes struggled to keep up with the pace of applications, said Christine Hammerstone, who directs the county’s social-services bureau. At Barnabas Health, one of New Jersey’s largest hospital systems, Medicaid patients have risen by 30% since the expansion, a Barnabas spokeswoman said.

For more information on the above items, contact Kern Augustine Conroy & Schoppmann, P.C. at 1-800-445-0954 or via email at info@DrLaw.com.



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