

DR. KNOW

We won't change the way you do billing...we'll change the way you do business!

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You can view past issues of this newsletter on our website.

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CVS HIPAA VIOLATION *\$2.25 Million Paid*

The nation's largest pharmacy chain, CVS, will pay the US government \$2.25 million to settle and take corrective action for privacy violations involving the disposing of patient information. This included the personal information on prescription bottle labels.

The HHS Office for Civil Rights (OCR) and the Federal Trade Commission (FTC) conducted the investigation and the settlement applies to all 6,000 pharmacy locations.

This issue came to light when media reported that the chain was disposing PHI in industrial trash containers located outside varying stores that were not secure and could be accessed by the public.

Other violations included the lack of policies and procedures on adequate safeguards on PHI and their disposal processes and inadequate employee training and no employee sanctions for noncompliance.

The FTC will monitor the CVS issue for 20 years and the OCR will monitor for three years.

UHC SETTLES *\$50 million*

Early in 2008 we reported that the Attorney General of NY, Andrew M. Cuomo, was investigating United Health Care. His year-long probe is complete and the conflict of interest allegations due to the insurer unfairly saddling consumers with too much of the cost of out-of-network healthcare has been settled.

UHC would reimburse based on "usual and customary (U&C)" rates. They used their own subsidiary databases to calculate this U&C rate. Therefore, creating a conflict of interest.

Other insurers who used this same calculating base include, Cigna, Aetna and BCBS. They too were subpoenaed in the industry-wide investigation.

Under the terms of the agreement UHC will provide \$50 million to create a new, independent database for U&C calculations. The database will be run by a non-profits entity, probably a university. Cuomo says the database will be up, running and functional in six months.

RECESSION FELONIES

Unfortunate Circumstances

With the medical industry being hit just as hard as banking and real estate you need to be aware of potential issues that may come through your door.

**Bogus workmen's comp claims.*

Workmen's Comp looks better than unemployment to some people and they may try this ruse to extend benefits or employment.

**Identity theft.*

This is a means to purchase goods and receive services by using someone else's insurance or credit card. Be sure you know your patients or get a picture ID to verify everyone's identity. Check signatures too.

Be sure to protect your patient's identity and information. There are repercussions if you are lax.

FLORIDA HAS THE RIGHT IDEA!

12 Month Refund Limit

A new law in Florida changes the time limit an insurance carrier has to retroactively seek a refund. In Florida it was 30 months and as of last November this was changed to 12 months.

Nevada and Hawaii do not have any law about this at all. New York is two years.

In the great State of Wisconsin we also have a two-year limit per the Office of the Insurance Commissioner.

Do not accept the fact that the insurance carrier is located out-of-state. Because they sell and support their product in Wisconsin, they must abide by Wisconsin law – **UNLESS YOUR CONTRACT SAYS DIFFERENTLY.** So it would be a good idea to review your contracts for this clause.

HI TECH INCENTIVES

Obama Plan

“We have done more in 30 days to advance the cause of healthcare reform than this country has done in an entire decade.”

President Obama
2-17-09 in Denver

President Obama signed the American Reinvestment and Recovery Act of 2009 (ARRA) more commonly known as the economic stimulus package. This plan provides significant financial incentives for physician adoption of certified electronic health records (EHR) under the section labeled HITECH. These incentives are available for those already using EHR. There are also reimbursement reductions that will occur for those who do not comply. The sooner you acquire an EHR the higher the level of incentive.

These incentives are only for providers who send claims to Medicare and/or Medicaid.

It usually takes about 3-9 months to implement an EHR system. This is after you have researched and purchased a system.

To find a certified product you can go to:

cchit.org

EASTER CLOSING

2009

Plexus will close at 11:30 a.m. on Friday, April 10th. This is in observance of Good Friday.