

## Report on Medicare Compliance Volume 30, Number 19. May 17, 2021 UM Settles FCA Allegations, CCO Was a Whistleblower; Provider-Based Violations Alleged

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By Nina Youngstrom

The University of Miami (UM) has agreed to pay \$22 million to settle false claims allegations in a case powered by four whistleblowers, including its former chief compliance officer, the Department of Justice (DOJ) said May 10.<sup>[1]</sup> The case centered on allegations that UM billed Medicare for services performed at provider-based departments without meeting patient notification requirements and overcharged for lab work for transplant patients. The compliance officer, Jonathan Lord, M.D., who was also UM's chief operating officer, alleged he was shut down when he raised concerns about the way lab tests were billed.

In a separate false claims settlement, DOJ said Jackson Memorial Hospital (JMH) agreed to pay \$1.1 million over the transplant lab billing.

UM, which includes three university hospitals, also affiliates with JMH, a teaching hospital and transplant center. JMH's Miami Transplant Institute is also operated by UM, but JMH submits claims to federal health care programs for services provided to transplant patients, according to the complaints.

According to the UM settlement, DOJ and the state of Florida allege that University of Miami submitted claims to Medicare, Medicaid, TRICARE, and the Federal Employees Health Benefits Program that were false because:

1. From Jan. 1, 2008, to Dec. 31, 2017, UM's transplant labs billed for medically unnecessary cytokine testing, flow cytometry testing, C-reactive protein testing, screen Luminex and Cylex testing;
2. From Jan. 1, 2010, to Dec. 31, 2017, UM caused JMH "to submit inflated claims for reimbursement for pre-transplant laboratory testing in violation of the Related Party Rule, 42 C.F.R. § 413.17, by controlling Jackson Memorial Hospital's decision to purchase pre-transplant laboratory tests from the University of Miami in exchange for the University of Miami's surgeons and Department of Surgery continuing to perform surgeries at Jackson Memorial Hospital;" and
3. From Oct. 1, 2009, to April 1, 2015, UM didn't meet the notification requirements in the provider-based rule as described in 42 C.F.R. § 413.65, and therefore "sought to be paid for services at hospital outpatient department rates rather than physician clinic rates."

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