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Cases Mount in Investigation of Physician P-Stim Billing; LCD Plays Pivotal Role

By Nina Youngstrom

A national investigation of physician billing for treating patients with P-Stim and NeuroStim (NSS) devices has led to a series of false claims settlements, but they are also spawning lawsuits against some billing consultants who advised physicians on how to bill Medicare and other government health care programs for the devices and the marketers and makers of the devices. The cases also point to the risks of submitting claims that don't comply with local coverage determinations (LCD).

P-Stim, NSS, ANSiStim and similar devices are used for acupuncture, which is not covered by Medicare, according to the Department of Justice (DOJ). Some physicians allegedly were billing for procedures with the devices, which are not Food and Drug Administration approved, as if they were performing percutaneous implantation of neurostimulator electrode array; peripheral nerve (CPT code 64555), which is a surgical procedure covered by Medicare.

In January, for example, six surgery centers and medical offices in New York and New Jersey affiliated with Interventional Pain Management Center P.C. (IPMC), a company owned by physician Amit Poonia, agreed to pay $7.447 million to settle false claims allegations they billed Medicare and the Federal Employees Health Benefits Program (FEHBP) for neurostimulator implants when they were actually administering P-Stim and NSS devices, from January 2012 through April 2017, the U.S. Attorney's Office for the Eastern District of New York said.[1] P-Stim and NSS devices transmit electrical pulses through needles put under the skin on a patient's ear. The medical and surgical groups also allegedly billed Medicare and FEHBP for anesthesia in connection with the P-Stim and NSS. Two former employees turned whistleblowers set the case in motion.