

Report on Medicare Compliance Volume 31, Number 6. February 14, 2022

Hospital Pays \$3.8M to Settle FCA Case Over Free Call Coverage for Solo Cardiologist

By Nina Youngstrom

In a case that points to the risks of atypical physician relationships, Catholic Medical Center (CMC) in Manchester, New Hampshire, agreed to pay \$3.8 million to settle false claims allegations that it paid some of its cardiologists to provide call coverage for an independent cardiologist when she was on vacation or otherwise unavailable in return for her patient referrals, the U.S. Attorney's Office for the District of New Hampshire said Feb. 9.^[1] The hospital allegedly provided the call coverage free to the cardiologist, which is a reminder that hospitals have to be careful about picking up the tab for services physicians normally pay for, attorneys said.

According to the settlement, between 2009 and 2019, CMC allegedly paid some of its employed cardiologists to be near the office of the sole-practitioner cardiologist "to provide medical services for her patients should the need arise."^[2] The cardiologist referred millions of dollars' worth of procedures and other services to CMC over that decade. Because the conduct allegedly violated the Anti-Kickback Statute, the claims submitted to Medicare, TRICARE and the Veterans Health Administration were false, the government said. The false claims lawsuit was set in motion by a whistleblower, former CMC cardiologist David Goldberg.

"Anytime you have unorthodox arrangements with referring physicians, they often have regulatory implications as the government determined was the case here," said attorney Adam Robison, with King & Spalding in Houston, Texas. "Hospitals can't pay for in-kind services for the benefit of physicians in the manner alleged here. The lesson learned is when hospitals provide unusual benefits to referring physicians at no charge, it raises potential concerns."

This document is only available to subscribers. Please log in or purchase access.

[Purchase Login](#)