STAT LAW July 2010

PECOS DEADLINE MOVED UP SIX MONTHS

On May 5, 2010, the Centers for Medicare & Medicaid Services (CMS) published an interim final rule concerning the Provider Enrollment Chain Ownership System (PECOS). The interim final rule moved up the PECOS enrollment deadline by six (6) months to July 6, 2010. CMS previously delayed the deadline until January 3, 2011. The AMA reported that the interim final rule expands the legislative requirements to include physicians that refer imaging, laboratory and specialist services. Originally, only physicians that refer durable medical equipment, prosthetics, orthotics and supplies, or home health services were required to be enrolled in the PECOS system. The AMA and forty other organizations have asked CMS to stay with the original deadline. Physicians that fail to enroll in PECOS could see reimbursement for their referrals rejected.

AMERICAN BOARD OF INTERNAL MEDICINE SANCTIONS 139 DOCTORS

The American Board of Internal Medicine (ABIM) sanctioned 139 doctors for "unethical and unprofessional behavior" and filed suit against five (5) other doctors. The sanctions were based upon allegations the physicians provided Arora Board Review (Arora) with ABIM test questions from memory. Arora offered prep courses to assist physicians in preparing for the various ABIM certification exams. According to ABIM, the doctors taking ABIM exams are specifically advised to not reproduce or disclose ABIM test questions.

JAIL TIME FOR HIPAA VIOLATION

A UCLA researcher was sentenced to four (4) months in jail and a \$2,000 fine for inappropriately accessing the medical records of co-workers and patients. Over a three-week period, Huping Zhou accessed the medical records of numerous co-workers and celebrities with no legitimate purpose. According to the Department of Justice Press Release, the maximum sentence was four (4) years based upon the statute.

ANOTHER EXTENSION OF PHYSICIAN REIMBURSEMENT CUT

On June 18, 2010, the United States Senate passed a six-month extension of the 21% cut in physician reimbursement based upon the sustainable growth rate formula (SGR). The United States House of Representatives still needs to act on the Senate Bill. The reimbursement cut went into effect on June 1, 2010, after several previous delays. On June 7, 2010, CMS advised carriers to hold physician claims for ten (10) days with the intent of delaying the cuts. According to a survey by the AMA, some physicians have delayed payments for expenses due to the anticipated pay cuts while others were required to use credit or reduce staff just to pay bills.