Investigating Chiropractic Fraud

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Health care fraud comes in many forms and unfortunately is not limited to any one health care discipline. Chiropractic is not immune from their members engaging in fraudulent activity that violates the laws and rules governing health care. With more than twenty years of experience, including investigating chiropractic fraud and assisting chiropractors on employing compliance programs, I offer the following bullets to refresh and/or develop fraud-fighters (providers, insurers, regulators & law enforcers) insight on chiropractic fraud.

Chiropractic Fraud, A growth industry...

Ignorance: Lack of knowledge and/or understanding of the laws and rules that govern health care. Benchmark appropriateness of practice conduct based on what (they) perceive everyone else is doing.

Seminars: Increase income has very little to do with improving patient care. May provide information inconsistent with health care laws and rules. Trust but verify not followed here. Ads in chiropractic periodicals can assist on identifying current and developing chiropractic fraud trends.

Practice Builders: Instruct on methods and means to increase practice revenues and patient retention.
Aggressive marketing; increase services - especially tests. How to use the "CA" to build the practice; and may instruct on how to circumvent limitations on chiropractic.

Multiple Clinics: (Facilitator) Assists on opening clinics, instructs on what to do, how to bill, etc.
(Operator) Own/operate multiple clinics; scripts and protocols are the norm; high turnover rate
Both recruit extensively from Chiropractic Schools.

Vendors: (Manufacturers) Peddle devices with no specific code; provide a number of codes to get paid
(Billing Companies) may offer little or no oversight; may facilitate improper billings. (Testing) Increase revenues and patient retention; objectify the subjective; Mobile Labs - kickbacks.

Chiropractic Fraud, Types of Fraud

Marketing: Goal is to get as many people in the clinic as possible for conversion regardless of actual medical need; Telemarketing, mailers, screenings, dinner talks, scripted presentations, etc; promise "free services" to induce into clinic; Identify available insurance, or willingness to commit to payments - find condition - convert - treat - bill.

Services: Not rendered; not medically necessary; not recognized clinically and/or scientifically; substandard; Patients get same services on similar schedule - even when better (phases of care, ROF); Services based on available insurance or for legal reasons - not need (intake forms); Services for conditions not found in presenting complaints (aggressive marketing)

- EXAMS: Free exams; Patterns; No exam performed; Extensive on subjective injuries; Does not address presenting complaints; Pre-determined (scripts, phases of care); Inadequate referrals
- TESTS: Extension of exam, technical/professional; Free testing; Patterns; Extensive on subjective injuries (objectify); No relationship to patient complaints; Results not used in care and treatment; Use devices not recognized
- TREATMENT: Free treatment (massage); Patterns; No relationship to presenting complaints; Provider services by non-providers; One-on-one services; Patients direct treatment, treat themselves; Medicare - CMT only; Non-covered provider (managed care); Multi-discipline practices (treating same)
- SUPPLIES/REPORTS: Supplement/adjunct to treatment; Patterns; Supports, braces, TENS, etc.; Provide - Rent - Sell; No relationship to patient complaints; Administered at clinic as well as at home
  Supplies/materials; Special reports; Educational services/supplies

Documentation: If it is not documented then it did not happen; Inadequate documentation to establish need, support rendered, who provided; Non-health care documents in the file; multiple patient files for same patient; Notes prepared to support payment - not health care rendered; prepared only when requested by payers; Notes more extensive for liability carriers, reports appear the same on all patients; Scheduling books, sign-in sheets, wand, computer generated notes, travel cards, forms, checklists, etc.

Coding: Follow the money! ICD-9, CPT-4, CMS-1500 (instructions); Goal is to bill certain amounts per patient visit; Quick codes - automatically bill; Report all services insurance covers (regardless of need); Use codes based on what paid - not what done; External billing companies

- EXAM RED FLAGS: Free services; no ICD and CPT link; Patterns; Comprehensive and/or daily exams billed; No initial exam or re-exams billed; Modifier -25; Consultations; Extended visit codes; Multi-discipline practice (MD, DC exams, PT evals)

- TEST RED FLAGS: Free services; ICD and CPT link; Patterns; Extensive on subjective X-ray reading codes; Tests on visit after exam; substandard testing devices; Mobile Labs, Multi-discipline practice (DC x-rays billed under MD)

- TREATMENT RED FLAGS: Free services; ICD and CPT link; Patterns; Subluxations only on Medicare; Time-based; Modifiers; No CMT billed (Manual Therapy); Place of service; Multi-discipline practices

- SUPPLIES/REPORTS RED FLAGS: Free services; ICD and CPT link; Patterns; Excessive charges; TENS, Supplies; Educational supplies/services; Special Reports/Analysis; Multi-discipline practice

Collection Fraud: Insured's pay more for similar services than cash patients; Accept what insurance pays; forgo collection of deductibles, co-pays, etc.; Medicare beneficiaries often induced and may pay more for care (CMT) than other patients; Seek compensation for non-covered services reported as if covered (in name of covered provider); Attorney reductions, TOS, Financial hardships, pre-pay; External billing companies typically do not involve themselves with cash patients; Forms, checklists, EOB's, payer contracts, carrier manuals, practice acts

Health Care Fraud

Services not rendered: Billed exam following promised free exam; Daily exams; Services not documented; Services of one provider under another provider; CPT codes not reflective of what performed; Quick-codes; Multi-discipline practices; mobile labs; manufacturers; multiple clinics

Substandard/unnecessary services: Free exams and services (inducements); Treat conditions not identified in presenting complaints; Same services/similar schedule; Protocols/phases of care; Incomplete/inaccurate documentation; Not responsible what not paid by insurance; Provider services by non-providers; by patients; Multi-discipline practices; mobile labs; manufacturers; multiple clinics

Misrepresent nature of service provided: Exams (Comprehensive - Pattern - Daily); Diagnostic testing not used in care and treatment; Codes based on what paid, not what done; Upcoding, unbundling; Provider services by non-providers; One-on-one services not one-on-one; Improper use of modifiers; Medicare; Multi-discipline practices, mobile labs, manufacturers, multiple clinics

Misrepresent actual service provider: Provider services by non-providers; Services self-administered by patients; Services by one provider but billed under other (covered) provider; Multi-discipline practices; mobile labs; multiple clinics.

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