

From the Office of Inspector General (OIG), U.S. Department of Health & Human Services

Skilled nursing facilities play a crucial role in providing therapy and rehabilitation after you or a loved one has suffered a debilitating illness or stroke. After a qualifying stay in the hospital, Medicare beneficiaries frequently need some time in a rehabilitation center to regain their strength. However, some unscrupulous facilities (even some associated with national chains) have taken to fraudulent billing.

How the Scam Works

Fraudulent skilled nursing facilities (SNFs) typically engage in a type of billing fraud called “upcoding.” Upcoding is a misrepresentation of services rendered by using procedure codes not appropriate for the item or service actually furnished. The procedure codes that are used are reimbursed at a higher rate.

Another typical scheme used by fraudulent SNFs is where the patient is placed into the highest Resource Utilization Group (RUG) category. This category reimburses the rehab center the most Medicare money. The beneficiary receives excessive therapy time that is billed to the government. This excessive therapy is generally medically unnecessary and could be dangerous to the patient. In addition to physical and occupational therapy, the patient may receive podiatry foot care that may not have been indicated.

How to Fight Back

Remember, patients have a right to refuse unwanted and excessive therapy.

If you or a loved one is being threatened or coerced by staff to participate in therapy, report this conduct immediately.