Audits by Federal and State agencies of physicians, medical groups, and hospital billing practices are on the rise, increasing the potential for fines and penalties. These audits, which target billing practices, coding of healthcare services, and the accuracy of reimbursements within clinical guidelines, is supported by an expanding list of regulations:

- **False Claims Act or FCA** provides the foundation for regulatory agencies or Qui Tam / Whistleblower actions to investigate, sue and penalize individuals or companies for the erroneous presentation of a claim for repayment.
- **Health Insurance Portability and Accountability Act (HIPPA)** established a comprehensive program to combat fraud committed against all health plans, both public and private.
- **Tax Relief and Health Care Act of 2006** created by the Recovery Audit Contractor (RAC) audits to conduct blind statistical analysis of Medicare data to identify billing irregularities.

Investigations can also be initiated by any of the following agencies:

- Department of Health and Human Services / Office of Inspectors General
- Centers for Medicare and Medicaid Services
- Federal Bureau of Investigation
- The U. S. Department of Justice

The insurable exposure to physicians, medical groups, and hospitals is the cost to defend one's interests against allegations of billing for improper financial gain; loss of eligibility in health programs; Government instituted Civil Monetary Penalties, and other fines as defined by each regulatory violation.

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**FACTS**

During Fiscal Year (FY) 2014 the federal government won or negotiated **$2.3 billion** in health care fraud judgements & settlements.

Approximately **$15.7 billion** in savings based on Congressional Budget Office estimates for FY 2014 as a result of legislative, regulatory, or administrative actions that were supported by OIG recommendations.

Exclusions of **4,017 individuals and entities** in 2014 from participation in Federal health care programs.

867 new civil actions including false claims and unjust enrichment lawsuits, civil monetary penalties (CMP) settlements, and administrative recoveries related to provider self-disclosure matters.

Source: publically available information from the Office of Inspectors General (OIG) as the agency with direct oversight for the Medicare and Medicaid programs.
Regulatory Audit and Billings Errors & Omissions

Don’t let a single, unintended violation bankrupt a physician’s healthcare practice!

Sullivan Brokers’ proprietary Practice Shield™ form includes three key components:

MEDICAL BILLING & PRACTICE ADMINISTRATION
• Coverage for Government or Commercial payor initiated investigations into Medicare / Medicaid billing practices
• Coverage for HIPPA, STARK, EMTALA, ZPIC & RAC audits
• Coverage for Whistleblower actions

ADMINISTRATIVE DISCIPLINARY PROCEEDINGS
Coverage for investigations initiated by:
• State medical board for suspension of licensing
• Hospital proceeding for privilege or appointment
• Any managed care organization for loss of participation

BREACH OF DATA SECURITY
• Event-based coverage for the unauthorized acquisition of computer data
• Response assistance when insured is confronted with the possibility of the unauthorized release or access to patient information.

This very real exposure is not covered by other insurance policies already purchased, such as Medical Malpractice, a Medical Group’s Errors & Omissions, Director’s & Officers, or Fiduciary liability.

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PRACTICE SHIELD™
Physician Billing E&O Program Highlights

Eligible Risks:
• Physician(s) practice
• Medical Groups

Ineligible Risks:
• Third Party Administrators
• Hospitals
• Long Term Care

Features:
• Short application
• Prior acts coverage (if elected)
• Rated on a per-physician basis
• Automatic tail cover for departed physicians
• No retention for small to mid-sized medical groups
• Experienced claims handling
• Risk management resources including healthcare consulting services and coding validation