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PROTECT YOUR BUSINESS FROM AUDITS: BE PROACTIVE WITH BILLING E&O INSURANCE AND COMPLIANCE MEASURES



VGM Insurance Services and The van Halem Group – have partnered to offer a two-prong solution to help you PROACTIVELY protect your business.



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Being audited by a RAC or ZPIC can be incredibly stressful for any health care provider, whether you're a home medical equipment provider, a physical therapy practice, or a home health agency. Getting fined for billing errors that result in overpayment from an insurance carrier – Medicare or otherwise – can be downright frightful.

There are stories galore about health care providers shutting their doors and closing up shop because they were found guilty and fined for receiving overpayments. The amount of total overpayments is staggering. Each year, for example, government programs such as Medicare and Medicaid are improperly billed to the tune of an estimated \$55 million.

Sure, some of those providers deserved the punishment they received for billing insurance for services either erroneously billed or for services not rendered at all. But, by and large, the vast majority of those punished were guilty of simply making a mistake when billing for the actual products or services they provided their patients. Maybe a HCPCS code was transposed or a required line of documentation was missing from a claim.

Such mistakes may be minor but are still infractions and make the provider susceptible to fines and penalties. The average cost of a regulatory proceeding defense is \$80,000, and fines and penalties can approach hundreds of thousands of dollars.

How can you protect your business against such costly litigation, especially when allegations of fraud can be brought by government agencies such as CMS, commercial payers, or by a qui tam ("whistle-blower") plaintiff who files a fraudulent-billing complaint?

Two VGM companies – VGM Insurance Services and The van Halem Group – have partnered to offer a two-prong solution to help you PROACTIVELY protect your business. VGM Insurance now offers **Medical Billing Errors and Omissions (E&O) and Regulatory Defense Insurance**, a coverage that helps you to protect your business against alleged billing errors. And, as a similar risk management strategy, the van Halem Group's services help you proactively prepare your business for audits.

The Billing E&O insurance provides first-party coverage for claims brought by:

- Government agencies (e.g., CMS)
- Contractors working on behalf of the government (e.g., RACs and ZPICs)
- Qui tam plaintiffs
- Commercial health insurance payers
- Similar entities



Billing E&O coverage for regulatory actions include, but is not limited to:

- Billing error proceeding
- HIPAA violations
- Physician self-referral (STARK)
- Emergency Medical Treatment and Active Labor Act (EMTALA)

While VGM Insurance's Billing E&O coverage is designed to protect your business against claims brought AFTER an audit, The van Halem Group offers proactive services to help you avoid the audit in the first place. And, it all starts with your company's reimbursement compliance program. If you don't have one, we implore you to develop one because if you're billing Medicare, you're required to have a program in place.

The van Halem Group has experts who can work with your compliance officer (which you're also required to have on board) to develop a proactive compliance program specific to your company needs. The last thing you – and The van Halem Group – want to see happen is your company fail a government audit. The ramifications are not pleasant:

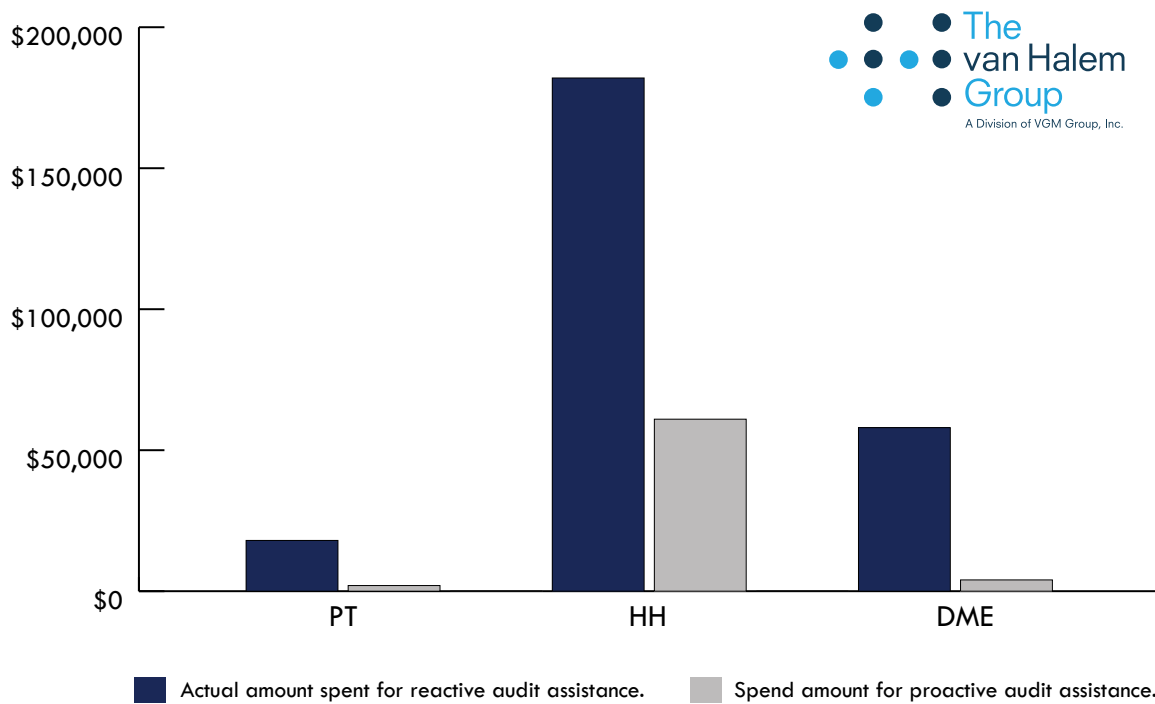
- Large extrapolated overpayment
- Payment suspension
- 100% prepayment review
- [Corporate integrity agreement with the Office of Inspector General](#)



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Below is a chart that illustrates a cost benefit analysis The van Halem Group performed using three of their clients: one DME provider, one physical therapy practice and one home health agency. They compared what each client **would have paid proactively** for one of van Halem Group’s monthly compliance packages over the same period of time the clients **actually paid reactively** for van Halem to resolve their respective issues. (This analysis does not include other financial hits the clients each had to take due to claim denials, refunds, workload, or hiring legal counsel in addition to van Halem’s services.)

Cost Benefit Analysis – Proactive versus Reactive Audits



The bottom line is this: You want to be proactive, and be prepared, to protect what you’ve worked so hard to build – your business. A good compliance program through The van Halem Group will mitigate the cost of itself, and you’ll see a return on your investment through better processes, efficiencies, and quality of care. And, a Medical Billing Errors and Omissions (E&O) and Regulatory Defense policy through VGM Insurance Services will mitigate the cost of alleged billing errors and the fines and penalties assessed because of them.

For more information and to receive a free quote for Billing E&O coverage, contact VGM Insurances Services at info@vgminsurance.com or 800-362-3363. For more information and to receive a free quote for compliance program packages, contact The van Halem Group at www.vanhalemgroup.com or 404-343-1815.