

Medicaid Billing Upcharges Prompts Oklahoma Nurse to Blow the Whistle on Hospital

Friday, June 14, 2019

Oklahoma Heart Hospital (OHH) has agreed to pay \$2.8 Million to settle U.S. and Oklahoma government claims that the hospital committed Medicaid Fraud. Jenniffer Baird, a retired registered nurse, filed the complaint, which reported that her former employer, OHH was consistently billing Oklahoma's Medicaid insurance program inpatient rates for outpatient procedures - regardless of whether a doctor ordered inpatient care or not.

Ms. Baird's 2015 complaint, filed under the False Claims Act (FCA) and a similar Oklahoma law because Oklahoma administers its Medicaid program with federal funds. The practice of billing inpatient rates for outpatient service is more commonly known as "upcoding" and is a form of fraud. Specifically, in question was the hospital's tendency to bill stent procedures at higher inpatient rates, which, according to Ms. Baird, are typically performed on an outpatient basis. According to the prosecutors who investigated the claim, the fraud lasted at least seven years.

Private citizens, like Ms. Baird, play a crucial role in holding healthcare providers accountable for their fraud by acting as whistleblowers on behalf of the government. These whistleblowers do not go without reward for their assistance. Successful whistleblowers receive up to 25 percent of the settlement amount of the case. "Under the False Claims Act, private citizens, also known as relators, can bring a suit on behalf of the United States and share in any recovery. ... [These] relators are awarded 15 to 25 percent of the settlement amount depending on the extent to which the relator substantially contributed to the recovery."

"Jenniffer did her best to resist the administrators who pushed this fraudulent billing scheme," said R. Scott Oswald, managing principal of The Employment Law Group. "And she urged everyone she managed to do the same. But when she realized she was fighting a losing battle—and that the true victims were U.S. taxpayers—she appealed to a higher power: The U.S. legal system, which welcomes whistleblowers like her. I am pleased that it delivered."

While OHH did not admit to fault outright in the matter of overbilling, the hospital operator did agree to settle the case, paying \$2.8 million to both U.S. and Oklahoma government coffers. Additionally, the hospital operator has vowed to follow a new "Corporate Integrity Agreement" that will be enforced by the Inspector General of the U.S. Department of Health and Human Services.

"I'm hopeful that the culture at Oklahoma Heart Hospital now will change," said Ms. Baird. "The frontline medical team has always been great, but I think some hospital officials cared more about dollar signs than vital signs."

Unfortunately, Ms. Baird's "dollar signs and vital signs" sentiment is laced with fact as, historically, there have been many instances where whistleblowers have exposed healthcare providers that were taking financial advantage of the Medicaid system.

© 2019 by Tycko & Zavareei LLP

Source URL: <https://www.natlawreview.com/article/medicaid-billing-upcharges-prompts-oklahoma-nurse-to-blow-whistle-hospital>



Article By
[Tycko & Zavareei Whistleblower Practice Group](#)
[Tycko & Zavareei LLP News](#)
[Health Law & Managed Care](#)
[Oklahoma](#)
[All Federal](#)