A family physician and his practice located in Knoxville, Tennessee, agreed to pay $285,000 to resolve allegations of improper billing to government healthcare programs in violation of the False Claims Act. Dr. Chang-Wen Chen and his practice, Chang-Wen Chen, M.D., P.C., allegedly submitted billings at inflated rates to Medicare, TennCare and TRICARE from 2013 through 2019.

Government healthcare programs have different rates for services provided by physicians and non-physician providers such as nurse practitioners. However, some healthcare services, such as Medicare and TennCare, allow practices to charge at the higher physician rate when a non-physician performs treatment under the direct supervision of a physician. Other government healthcare providers like TRICARE require the higher physician rate only if the physician directly renders treatment. Dr. Chen’s practice allegedly billed at the physician rate when unsupervised nurse practitioners treated patients, which is a direct violation of the False Claims Act.

“False billing practices contribute to the rising cost of health care in our country, and cheat the taxpayers out of billions of dollars each year,” said U.S. Attorney J. Douglas Overbey. “This settlement demonstrates the continued commitment of the United States Attorney's Office to protect the integrity of our federal health care programs.”

A former nurse practitioner at Chang-Wen Chen, M.D., P.C., filed a 2015 lawsuit under the whistleblower provision of the False Claims Act that allows private
individuals to sue on behalf of the government. Under the statute, the whistleblower wins a share of the recovery—in this case, the former nurse practitioner receives $51,300.

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