billing company should: (1) Refrain from submitting any false or inappropriate claims; (2) terminate the contract; and/or (3) report the misconduct to the appropriate Federal and State authorities within a reasonable time, but not more than sixty (60) days after determining that there is credible evidence of a violation.

c. Reporting Procedure

When reporting misconduct to the Government, a billing company should provide all evidence relevant to the alleged violation of applicable Federal or State law(s) and the potential cost impact. The compliance officer, with guidance from the governmental authorities, could be requested to continue to investigate the reported violation. Once the investigation is completed, the compliance officer should be required to notify the appropriate governmental authority of the outcome of the investigation, including a description of the impact of the alleged violation on the operation of the applicable health care programs or their beneficiaries. If the investigation ultimately reveals criminal, civil or administrative violations have occurred, the appropriate Federal and State officials [102] should be notified immediately.

3. Corrective Actions

Billing companies play a critical role in the restitution of overpayments to appropriate payors.[103] As previously stated, billing companies should take appropriate corrective action, including prompt identification of any overpayment to the provider and the affected payor and the imposition of proper disciplinary action, if applicable. Failure to notify authorities of an overpayment within a reasonable period of time could be interpreted as an intentional attempt to conceal the overpayment from the Government, thereby establishing an independent basis for a criminal violation with respect to the billing company, as well as any individuals who may have been involved.[104] For this reason, billing company compliance programs should ensure that overpayments are identified quickly and encourage their providers to promptly return overpayments obtained from Medicare or other Federal health care programs.[105]

III. Conclusion

Through this document, the OIG has attempted to provide a foundation to the process necessary to develop an effective and cost-efficient third-party medical billing compliance program. As previously stated, however, each program must be tailored to fit the needs and resources of an individual billing company, depending upon its particular corporate structure, mission and employee composition. The statutes, regulations and guidelines of the Federal and State health insurance programs, as well as the policies and procedures of the private health plans, should be integrated into every billing company's compliance program.

The OIG recognizes that the health care industry in this country, which reaches millions of beneficiaries and expends about a trillion dollars annually, is constantly evolving. In particular, the billing process has changed dramatically in recent years. As a result, the time is right for billing companies to implement strong, voluntary compliance programs. As stated throughout this guidance, compliance is a dynamic process that helps to ensure billing companies are better able to fulfill their commitment to ethical behavior and to meet the changes and challenges being imposed upon them by Congress and private insurers. Ultimately, it is OIG's hope that voluntarily created compliance programs will enable billing companies to meet their goals and substantially reduce fraud, waste and abuse, as well as the cost of health care to Federal, State and private health insurers.

Dated: December 14, 1998.

June Gibbs Brown,

Inspector General.

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BILLING CODE 4150–04–P

that had previously been identified by the billing company or carrier as suspect.

[102] *See* note 98.

[103] As a result of the limitations on reassignment, billing companies rarely engage in receiving payment on behalf of their provider clients or negotiating checks on behalf of their provider clients. Because of these provisions, the OIG recognizes that billing companies are rarely in the position to make restitution on behalf of their clients and it is generally viewed as the provider's responsibility to make restitution to the appropriate payor. *See* 42 CFR 424.73.

[104] *See* 42 U.S.C. 1320a-7b(a)(3).

[105] If a billing company needs further guidance to inform its provider clients of normal repayment channels, the company should consult with the applicable Medicare intermediary/carrier. The applicable Medicare intermediary/carrier may require certain information (*e.g.*, alleged violation or issue causing overpayment, description of overpayment, description of the internal investigative process with methodologies used to determine any overpayments, disciplinary actions taken and corrective actions taken) to be submitted with return of any overpayments, and that such repayment information be submitted to a specific department or individual in the carrier or intermediary's organization. Interest will be assessed, when appropriate. *See* 42 CFR 405.376.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Human Genome Research Institute; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Human Genome Research Institute Special Emphasis Panel.

Date: January 15, 1999.

Time: 8:00 AM to 6:00 PM.

Agenda: To review and evaluate grant applications.

Place: Hyatt Regency Hotel, One Bethesda Metro Center, Bethesda, MD 20814.

Contact Person: Rudy O POZZATTI, PHD, Scientific Review Administrator, Office of Scientific Review, National Human Genome Research Institute, National Institutes of Health, Bethesda, MD 20892, 301 402–0838.

(Catalogue of Federal Domestic Assistance Program Nos. 93.172, Human Genome Research, National Institutes of Health, HHS)

Dated: December 11, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

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Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meeting.

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