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LITHOTRIPSY CENTERS IN REGULATORY LIMBO

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Lithotripsy is not considered to be a “designated health service” under the Stark Law, but recent changes to the Inpatient Perspective Payment System rules have materially impacted litho arrangements with hospitals. Many litho services arrangements are billed on a “under arrangement” basis, with hospitals billing for the services provided by the litho services as though the hospital actually did it themselves. Managed care contracts are directly with the hospital and not the litho services provider. Problems have been created, however, when those services are billed to the hospital on a “per click” or per use basis. Essentially, per click arrangements were slated for termination as of October 1, 2009 under certain circumstances. Clarifying language from CMS has, however, helped litho services providers to comply and still be paid on a per click basis.

Essentially, litho services that are provided pursuant to a “Services Agreement” and which meet the personal services exception under Stark are still eligible for per click compensation. As an aside, litho providers that are paid on a per click basis on an “under arrangement” basis must be careful that they understand the business impact that arises when they have no managed care contracts and instead the contracts reside with the hospital they contract with.

Mr. Cohen is the founder of the Delray Beach law firm of The Florida Healthcare Law Firm, which specializes in representing physicians and other clients in healthcare business/corporate matters. He is also founder of Maverick Medical Claims Solutions, which gets clients paid by managed care. He is Board Certified by the Florida Bar as a specialist in Health Care Law and routinely represents doctors in health care business matters. Mr. Cohen may be reached by calling (888) 455-7702.