State’s hospitals to get fed audits

Medicare project searches for overbilling

By Jay Greene
Crain’s Detroit Business

Michigan is one of 31 states targeted in a three-year demonstration project by Medicare to identify hospitals that overbill for short-stay admissions. Millions of dollars in charges are at stake for hospitals in Southeast Michigan in the prepayment audit by private companies known as recovery audit contractors, which are hired by Medicare.

Seven of the states — Michigan, Florida, California, Texas, Illinois, Louisiana and New York — were selected for the program based on their high levels of fraudulent claims, said the Centers for Medicare and Medicaid Services. The four other states — Pennsylvania, Ohio, North Carolina and Missouri — were selected because of high volumes of short-stay inpatient hospital stays of about 30 hours or less.

Even if hospitals are found to have not overbilled for inappropriate short-stay admissions, the targeted hospitals could have to wait up to three extra months to get reimbursements for services rendered and Abboy Pendleton, a partner with The Health Law Partners PC in Southfield,

“This is a really hot issue because there is a fundamental disagreement between how reviewers are reviewing and the standards providers are given to follow when billing. Pendleton said.

As a way to reduce rising Medicare costs from fraud or waste, President Barack Obama ordered Medicare in 2010 to come up with a plan to reduce improper payments by $3 billion. In 2011, $4.5 billion was saved nearly $10 billion by reducing payment errors.

From 2006 to 2012, Medicare forecasts an annual reduction rate of 2.5 percent.

Lucky’s owner plans to repair, reopen theater

By Chad Halcom
Crain’s Detroit Business

Nightclub owner Wally Mona of Lucky’s Upper Room LLC is getting ready for a dose of reality this week, when contractors submit their estimates to repair the newly acquired Emerald Theatre in downtown Mt. Clemens.

Mona — who operates Lucky’s Pub & Grill in Detroit, Haze Night Club in Southfield and three Ultimate Sports Bar & Grill locations — purchased the shuttered Emerald for just $1,001,000, plus closing costs and fees, last week from Troy-based Talmer Bancorp Inc.

Since then, he has had several contractors tour the historic theater. Mona plans to have estimates on all necessary repairs and renovations in place so that cost could reach $2 million, including $1 million or more to re-stone plastered walls and even the floor in the 80-year-old building at 126 W. Main St.

If all goes well, Mona said, the company could begin booking acts shortly after the beginning of next year. It’s a large venue — 1,700 seat — but Mona feels that Emerald offers three levels of seating in about 1,300 patrons — and the repairs will be extensive to get it up and operating.

“The previous owners operated this place 10 to 15 years, and I’m not sure they ever put a penny back into it. So basically we’re trying to take it in steps,” Mona said.

“At first, we don’t want to get a bunch of inside and get any further damage than we do get. But the good news is it’s an in-door 100 and it’s the right time of year. A couple of companies I’m talking with now are going into their slow period, and they have

Emerald aims to shine again

Wally Mona (left), new owner of the Emerald Theatre, worked with broker Joseph Scowery of Action Sport & Associates to close the deal on the historic building in Mt. Clemens, which Mona plans to renovate and reopen.

We’re looking forward to seeing it again in all its glory.

Wally Mona, Emerald Theatre owner

Rock about to roll out retail plan

Quicken properties to be likely hot spot

By Sherry Welch
Crain’s Detroit Business

Detroit’s best-kept retail secret soon may not be a secret at all. Dan Gilbert’s Rock Ventures LLC is nearing completion of its retail plan for Detroit and is expected to begin releasing plans and deals of it — if not the entire plan — in the next couple of weeks.

Local developers and architects are involved in the plan, which Gilbert said will create space in the buildings to be used by a blend of national retailers and local boutique shops and be designed to draw shoppers from across metro Detroit.

The plan is likely to involve the properties that Quicken Loans Inc. founder Gilbert owns or controls near Grand Circus Park and Campus Martius, including foot traffic on the east side of Woodward Avenue and the former Hudson’s lot north of Campus Martius, Crain’s reported.

Renditions of the retail concept — shown by Gilbert at multiple public appearances — include a mix of national retailers such as Target and Five Below and specialty stores for national retailers such as Apple and H&M and other uses such as a walking grocery store. The plan will incorporate some of the alley spaces behind the buildings along Woodward Avenue. Gilbert said at Crain’s Idea conference in March.

He described the retail strategy as part of a “big bang” development plan he has for Detroit. The plan calls for bringing retail and residential to the buildings he has purchased and others downtown at the same time.

Gilbert said he hoped to create the largest plan before signing leases with retailers.

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Hospitals: Audits look for Medicare overbilling

According to a report from Standard & Poor’s, Medicare is being overpaid by hospitals. The report states that Medicare reimburses hospitals for services that are more expensive than the actual cost of providing those services. This is known as cost shifting, where hospitals charge Medicare more than they actually cost, and then use this overpayment to cover other expenses.

Experts say that the issue of cost shifting is widespread and affects a significant portion of the healthcare industry. Some hospitals have implemented strategies to reduce cost shifting, such as negotiating lower rates with Medicare and improving their billing processes. However, others continue to overcharge Medicare and face no consequences.

The American Medical Association has called for greater transparency in Medicare payments, and for hospitals to be held accountable for overbilling.

Hunger: Restaurants coming to town

When you look at average income in metro Detroit, you see that it’s higher than average income in most other parts of the United States. This has led to a steady stream of new restaurants opening up in the area.

One of the most popular trends in the restaurant industry is the rise of food trucks and mobile kitchens. These businesses offer a fun and unique dining experience, and they are often located in areas with high foot traffic.

Another trend is the growth of chain restaurants, which have been expanding rapidly in recent years. These chains often offer a wide variety of menu options and are able to maintain consistent quality across multiple locations.

Despite the challenges posed by the pandemic, the restaurant industry has continued to grow and evolve. As people look for new and exciting dining experiences, restaurants will need to stay innovative and responsive to meet the changing needs of their customers.