They’re efficient, but mail-order Internet pharmacies have intricate legal requirements

By Michelle D. Bayer, Esq.

Medicaid Matters

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The following article is an excerpt from Michelle D. Bayer’s article, “Medicaid Matters: Mail-Order Internet Pharmacies Have Intricate Legal Requirements,” which was published in the Michigan Medical Law Report in 2008.

Mail-order Internet pharmacies are a growing and profitable business thanks to their cost savings over traditional pharmacies, as well as the ease of ordering and delivery services they provide. However, there are significant legal issues that can create serious legal issues and economic consequences for these entities, if not done properly.

State licensing laws, state public health controls, and Medicaid rules are all enforceable by state authorities with other reimbursement programs. All of these laws have specific requirements that must be met properly, and these authorities are often willing to enforce them.

One obvious area of concern for pharmacists, like all health care providers, is Medicaid compliance. Medicaid has voluminous and complex compliance requirements, and the failure of any of the various and constantly changing requirements can be more than a full-time job. While a lack of compliance can keep a pharmacist from being reimbursed, there are often other laws that are also being violated. Indeed, coding compliance has become its own specialty.

In light of this, it is important for pharmacists to understand the seemingly simple requirements often are as important as those for pharmacies. The failure of a provider to meet the requirements of the various and constantly changing requirements can be more than a full-time job. While a lack of compliance can keep a pharmacist from being reimbursed, there are often other laws that are also being violated. Indeed, coding compliance has become its own specialty.

A few minor billing errors aren’t really going to go anywhere, right? Think again.

By Robert S. Ivery, Esq.

When undertaking compliance measures, it is not uncommon to hear a physician attempt to justify the billing errors by saying that the far majority of the billing is in question. However, this is not necessarily the case, as physicians and their staffs are often not aware that they are not following the correct procedure. In fact, they may be unaware that any errors exist at all.

According to the American Medical Association, approximately 10% of all transactions are rejected by the payer due to errors. These errors can range from simple omissions to more complex issues such as incorrect coding or billing. Therefore, it is important to review all transactions and ensure that they are accurate and complete.

For the non-medical professional, the challenge lies in understanding the complex nature of these regulations and ensuring compliance. It is important to review all transactions and ensure that they are accurate and complete. In order to do this, it is necessary to have a clear understanding of the laws and regulations governing the medical field.

In conclusion, it is important for all providers to be aware of the various laws and regulations governing the medical field and to ensure that they are following all of the correct procedures. This will help to avoid potential legal issues and ensure that the best care is provided to all patients.