U.S. fines UCLA Health System

University allowed a doctor banned from federal programs to bill the government.

BY CHAD TERHUNE

Federal officials fined UCLA Health System \$470,000 for allowing an anesthesiologist who was banned from Medicare and other federal programs to treat patients and bill the government for their care.

Dr. John Edward Miller, an anesthesiologist at Ronald Reagan UCLA Medical Center, was excluded from federal programs from April 2009 to November 2013 while working there, according to the U.S. Department of Health and Human Services.

The information was obtained by The Times under a Freedom of Information Act request.

Miller had been banned from participating in Medicare, Medicaid and other government programs in 2003 after California revoked his medical license in connection with substance abuse problems.

State officials reinstated his medical license in 2008, but Miller wasn't taken off the federal list of excluded providers until December 2013.

UCLA discovered the problem with Miller's exclusion from Medicare and disclosed it to federal officials this year, records show.

The inspector general's office of HHS concluded that UCLA "knew or should have known that Miller was excluded from participation in all federal healthcare programs and that no federal healthcare program payments could be made for items or services furnished by Miller."

UCLA agreed last month to pay \$470,423 as part of a settlement agreement.

The university attributed the problem to human error and software problems.

"Once the errors were unearthed, UCLA took prompt action, reported the matter to the Department of Health and Human Services and conducted a thorough audit to confirm that

no other members of the UCLA medical staff are or were on the exclusion list," the university said.

"Our processes and software for ensuring that physicians are not on the exclusion list have been updated. We believe this was truly a 'one off' occurrence," UCLA said.

Henry Fenton, an attorney for Miller, said the doctor has overcome his past problems and "he's a fine doctor."

In state disciplinary records, Miller said he had become addicted to cocaine in the late 1990s.

In 1997, his supervisor at Centinela Hospital Medical Center in Inglewood suspected that he was impaired, and a year later Miller was arrested for possession of a controlled substance, records show.

He was convicted in 2000 for unlawful interference with an aircraft by flashing lights at a helicopter, according to the medical board. California pulled his license two years later.

According to state records, Miller said that he sought rehabilitation for drug addiction and that he last used cocaine in 2005.

The medical board restored his license in 2008 and ended his probation early at the recommendation of his UCLA supervisors, who praised Miller's skills.

chad.terhune@latimes.com Twitter: @chadterhune