



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Ohio Medicaid Program

*Review of Medicaid Provider Reimbursements Made to
People's Transportation, Inc.*

A Compliance Review by the

**Fraud, Waste and Abuse
Prevention Division**



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Yolanda Jenkins, Owner
People's Transportation, Inc.
6339 Afton Drive
Dayton, Ohio 45415

Re: Medicaid Review of Provider Number #2039663

Dear Mrs. Jenkins:

We have completed our review of selected medical services rendered to Medicaid recipients by People's Transportation, Inc. for the period January 1, 1998 through December 31, 1999. We identified two areas of deficiency within the transportation records. These areas are detailed in the enclosed report along with recommendations intended to prevent future instances of non-compliance and lessen the risk of any future overpayments.

A copy of this report is being sent to the Ohio Department of Human Services. If you have any questions, please contact Johnnie L. Butts, Jr., Chief, Fraud, Waste and Abuse Prevention Division at (614) 466-3212.

Yours truly,

JIM PETRO
Auditor of State

June 29, 2000

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ABBREVIATIONS

CPT	Physician's Current Procedural Terminology
EMT	Emergency Medical Technician
FWAP	Fraud, Waste and Abuse Prevention (Division of)
HCFA	Health Care Financing Administration
HCPCS	HCFA Common Procedure Coding System
MMIS	Medicaid Management Information System
ODHS	Ohio Department of Human Services
OAC	Ohio Administrative Code
ORC	Ohio Revised Code
TCN	Transaction Control Number

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SUMMARY OF AUDIT ACTIVITY

The Auditor of State, working in cooperation with the Ohio Department of Human Services (ODHS), performs reviews designed to assess Medicaid providers' compliance with federal and state claims reimbursement rules. A provider renders medical, dental, laboratory, or other services to Medicaid recipients.

The Auditor of State performed a review of People's Transportation, Inc., doing business at 6339 Afton Drive, Dayton, Ohio 45415. The purpose of our review was to determine whether the Provider's claims to Medicaid for reimbursement of transportation services were in compliance with regulations and to calculate the amount of any overpayment resulting from noncompliance. Our limited review of randomly selected transportation discovered two areas where noncompliance occurred.

Work Performed

We informed the Provider by letter they had been selected for a compliance review. An Entrance Conference was held on April 17, 2000 at the Provider's facility with Mrs. Yolanda Jenkins, Owner and Mr. Andre Jenkins, Operations Manager.

While there, we reviewed a random sample of 100 transaction control numbers (TCN's). These TCNs represented claims paid to the Provider by Medicaid during the period January 1, 1998 through December 31, 1999.

The review involved comparing the transportation records with the claims payment history from MMIS. The documents requested from the Provider for review included:

- (1). A trip log which should state the date of service, time of call, name(s) of attendant(s), time of pickup, name(s) of client(s), name of driver and certification number, departure/destination, and loaded mileage. A trip log is used to validate that a transportation service took place.
- (2). The original ODHS 3452 Physician's Certification form documenting the medical necessity of the transport.
- (3). Copies of each ambulette driver's certification card for basic first-aid training. This certification may be issued by the American Red Cross or an equivalent training program.

In addition, we visually inspected ambulette vehicles to determine if the required equipment was in place.

The Provider billed and was reimbursed \$5,696.01 for 386 transportation services for the 100 transaction control numbers in our sample. For the January 1, 1998 through December 31, 1999 review period, the Provider was reimbursed \$425,601.74 for 28,979 ambulette services. Table 1 summarizes the transportation services included in our sample.

**Table 1: Transportation Services Billed by and Reimbursed to
People's Transportation, Inc. for 100 TCN's Reviewed
January 1, 1998 to December 31, 1999**

Procedural Definition	Procedure Code	Number of Services	Amount of Reimbursement
Non-Emergency Transportation: Wheel-Chair	A0130	193	4,556.73
Non-Emergency Transportation: Per Mile	Z0160	193	1,139.28
TOTALS	-----	386	\$5,696.01

Source: Paid claims contained in ODHS' Medicaid Management Information System.

Our audit work was performed in accordance with generally accepted government auditing standards.

Results of Work Performed

We identified two deficiencies in the transportation records that were not of a magnitude to warrant recovery of Medicaid funds. However, if the deficiencies are not corrected, they could result in future recoverable overpayments.

Physician Certifications Signed After the Date of Service

Our sample review for the 100 randomly selected TCN's for ambulette transports identified 2 instances where the physician certifications were signed after the Provider received reimbursement from ODHS. Pursuant to OAC Section 5101:3-15-05 and 5101:3-15-02 and Section AMB 1101 of the Ohio Medicaid Provider Handbook, medical transportation providers must maintain records which fully describe the medical necessity and extent of services provided. One of the records that must be maintained is the original physician certification form (Form 3452) documenting the medical necessity of the transport. Moreover, completion of Form 3452 is required in order for the transportation provider to be eligible for reimbursement. This certification record serves as the document to validate the medical necessity of the transportation service. The physician certification is analogous to a physician's order or a prescription. Just as a prescription is required for a pharmacy to dispense medications and must be maintained as a record kept by the pharmacy, the physician

certification is the document that validates the medical necessity to transport the patient and must be maintained as a record by the transportation provider.

Effective March 1, 2000, the rules in ODHS' Provider Transportation Handbook were changed to give a provider 180 days from the date of service to obtain a signed physician certification. The new rules also require a signed physician certification before the provider can bill and be reimbursed by the Ohio Department of Human Services.

Recommendation: In order to avoid overpayments under the March 2000 rules, the Provider should ensure that physician certifications are signed before billing ODHS for transportation services.

Erroneous Mileage Billing

Pursuant to OAC Section 5101:3-15-05, medical transportation providers must maintain records which fully describe the extent of services provided. One of the records that must be maintained is a trip log or run sheet which documents the mileage driven during the transport.

During our review of transportation records, we learned the Provider used odometer readings supplied by ambulette drivers as the basis for mileage claims. We tested the mileage billed for 30 ambulette transports by comparing the claims with mileage determined by a standard computer software program. The test showed 23 variances (under or over) of 1 mile or more out of the 30 transports. Variances ranged from a 6.9 mile understatement to a 7 mile overstatement, with the average being a 1.7 mile overstatement. The wide variance in overstatements and understatements did not warrant an overpayment assessment, but the inaccuracies could result in future overpayments if the Provider does not implement controls to ensure consistent and accurate mileage calculations.

Recommendation: The Provider should implement controls to reduce the number of errors found in the calculation and documentation of mileage. Many providers use commercial mileage charts or computer software to make accurate mileage determinations, rather than only relying on odometer readings.

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APPENDIX I

**Table 1: Summary of Record Analysis of People's Transportation, Inc.
For the Period January 1, 1998 Through December 31, 1999**

Description	Audit Period January 1, 1998 - December 31,1999
Total Amount Paid by Medicaid for Transportation Services	\$425,601.74
Number of Transportation Services	28,979
Type of Examination	Statistical Random Sample of 100 TCN's
Number of Transportation Services Sampled	386
Amount Paid for Services Sampled	\$5,696.01

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PEOPLE'S TRANSPORTATION

MONTGOMERY COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 29, 2000**