



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Ohio Medicaid Program

*Review of Medicaid Provider Reimbursements Made to
Alexis Investments, Incorporated*

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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Kevin Tribbe, Owner
Alexis Investments, Incorporated
212 East Township Avenue
Cincinnati, Ohio 45216

Re: Medicaid Review of Provider Number #0230119

Dear Mr. Tribbe:

We have completed our review of selected medical services rendered to Medicaid recipients by Alexis Investments for the period January 1, 2000 through December 31, 2000. We identified overpayments in the amount of \$128,870.34, which must be repaid to the Ohio Department of Job and Family Services. A "provider remittance form" is located at the back of this report for remitting payment.

Please be advised that in accordance with Ohio Revised Code Section 131.02, if payment is not made to the Ohio Department of Job and Family Services within 45 days of receipt of this report, this matter will be referred to the Ohio Attorney General's office for collection.

As a matter of courtesy, a copy of this report is being sent to the Ohio Department of Job and Family Services, the Ohio Attorney General, and the Ohio State Medical Board. If you have any questions, please feel free to contact Johnnie L. Butts, Jr., Chief, Fraud, Waste and Abuse Prevention Division, at (614) 466-3212.

Yours Truly,

JIM PETRO
Auditor of State

June 28, 2001

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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
ODJFS	Ohio Department of Job and Family Services
OAC	Ohio Administrative Code
ORC	Ohio Revised Code
TCN	Transaction Control Number

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SUMMARY OF RESULTS

The Auditor of State performed a review of Alexis Investments, Provider #0230119, doing business at 212 East Township Avenue, Cincinnati, Ohio 45216. Overpayments amounting to \$128,870.34 were identified for recovery. The cited funds are recoverable as they resulted from duplicate Medicaid claims submitted by Alexis Investments for services that were not rendered.

BACKGROUND

The Auditor of State, working in cooperation with the Ohio Department of Job and Family Services (ODJFS), 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.

Medicaid was established in 1965 under the authority of Title XIX of the Social Security Act and is a federal/state financed program which provides assistance to low income persons, families with dependent children, the aged, the blind, and the disabled. ODJFS administers the Medicaid program. The rules and regulations that providers must follow are issued by ODJFS in the form of an Ohio Medicaid Provider Handbook.

ODJFS' Medicaid Provider Handbook, General Information, Section II, Subsection (B), Chapter 3334, (OAC Section 5101:3-1-01), states in part, "Medical necessity" is the fundamental concept underlying the Medicaid program. A physician must render or authorize medical services within the scope of their licensure and based on their professional judgement of those services needed by an individual. "Medically necessary services" are services which are necessary for the diagnosis or treatment of disease, illness, or injury and meet accepted standards of medical practice."

Medical transportation services are among the services reimbursed by the Medicaid program when delivered by eligible providers to eligible recipients. The range of medical transportation services includes emergency and non-emergency ambulance transport to a Medicaid covered service, non-emergency ambulette/wheelchair vehicle transport to a Medicaid-covered service, as well as emergency and non-emergency air ambulance transport. Covered medical transportation services (ambulance and ambulette/wheelchair vehicle services) are those transports that are determined to be medically necessary and appropriate to the recipient's health. Requirements for providers of medical transportation services are covered in ODJFS' Transportation Services Manual, which is part of the Ohio Medicaid Provider Handbook.

Pursuant to the Ohio Medicaid Provider Handbook, Chapter 3334, Section IV, Subsection (B), and OAC Section 5101:3-1-172, providers are required to "Maintain all records necessary and in such form so as to fully disclose the extent of services provided and significant business transactions. The provider will maintain such records for a period of six years from the date of receipt of payment or until any initiated audit is completed, whichever is longer."

In addition, rule 5101:3-1-29 (C) of the OAC states: "In all instances of fraud and abuse, any amount in excess of that legitimately due to the provider will be recouped by the department through its surveillance and utilization review section, the state auditor, or the office of the attorney general.

"Abuse" is defined in rule 5101:3-1-29 (B) as "...those provider practices that are inconsistent with professional standards of care; medical necessity; or sound fiscal, business, or medical practices; and result in an unnecessary cost to the medicaid program.."

***PURPOSE SCOPE AND
METHODOLOGY***

The purpose of this 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 non-compliance.

We informed the Provider by letter they had been selected for a review of their potential duplicate claims. We held a meeting with Tim Vale, Billing Manager, on June 5, 2001 to discuss the potential duplicate payments.

We utilized ODJFS' Ohio Medicaid Provider Handbook and the OAC as guidance in determining the extent of services and applicable reimbursement rates. We obtained the provider's claims history from ODJFS' Medicaid Management Information System (MMIS), which lists services billed to and paid by Medicaid. This computerized claims data includes patient name, place of service, date of service, and type of procedure/service. These healthcare procedures and services are codified using one or more of the following five digit coding systems:

- Current Procedural Terminology (CPT)¹,
- Health Care Financing Administration's² (HCFA) Common Procedural Coding System (HCPCS), and
- ODJFS' local level codes.

The scope of our review was limited to those claims paid by Medicaid from January 1, 2000 through December 31, 2000 that were identified as potentially duplicated payments. A computer program identified these potential duplicate payments by creating a file of claims which had services rendered to the same client, on the same date of service, for the same procedure, with the same modifier.

For the January 1, 2000 through December 31, 2000 review period, the Provider was reimbursed \$258,807.48 for the 18,443 Medicaid services our computer program identified as potential duplicate

¹The CPT is published by the American Medical Association (AMA) for the purpose of providing a uniform language to describe medical services.

²HCFA has federal oversight of the Medicaid program.

payments. The actual amount of the potential duplicate payments totaled \$129,403.74, which is half the amount of the total claims identified.

The review involved comparing transportation services records with the claims payment history from MMIS to determine if more than one service was given during a day. Documentation showing more than one service given in a day is the first indication that a service may not have been duplicated.

Work performed on this audit was done in accordance with generally accepted government auditing standards. Detailed below are the results of this review.

FINDINGS

We identified overpayments from our review of the potential duplicate payments in the amount of \$128,870.34. A discussion of this deficiency and the number of instances found -- follows:

Duplicate Payments

According to the Ohio Medicaid Provider Handbook, Chapter 3334, Section V, Subsection B(6) (OAC Section 5101:3-1-198), overpayments, duplicate payments or payments for services not rendered are recoverable by the department at the time of discovery.

We reviewed the Provider's potential duplicate claims for the period of January 1, 2000 through December 31, 2000 to determine if the Provider received two reimbursements for the same recipient on the same date of service for the same billed procedure. We then gave a list of these payments to the Provider for their review.

During the review, the Provider stated that they had switched from manual to tape billing just prior to the audit period and was concerned that they would not receive proper payment, so both types of claims were submitted for each trip. The Provider was under the assumption that since the claims were submitted twice, one of the claims would not be paid. However, both claims were paid and the Provider did not reconcile their remittance advices, forms from the Ohio Department of Job and Family service showing payment of claims, to determine if any of the paid claims were duplicated.

The Provider contested some of the claims, stating that these were actually for round trips, but had been coded incorrectly as two one-way trips. Based upon our review of the Provider's records, we concurred with the Provider's assessment of these claims. Therefore, we accepted 38 TCN's, comprising 68 services, as unduplicated services, totaling to \$533.40.

The rest of the services, totaling 2,450 TCNs and comprising 18,375 services, had been submitted on two different claim forms, tape claims and paper claims. The Provider acknowledged that these claims were duplicate payments, totaling \$128,870.34 in overpaid Medicaid funds, and had been received in error.

CONCLUSION

We met with the Provider on June 5, 2001, to discuss the potential duplicate payment issue. The Provider understood the reason for our review of their claims and outlined how these payments occurred. We informed the Provider that if the \$128,870.34 overpayment was not paid to the Department of Job and Family Services within 45 days, the Attorney General's Office would contact them to make payment arrangements.

PROVIDER REMITTANCE FORM

Make your check payable to the Treasurer of State of Ohio and mail check along with this completed form to:

Ohio Department of Job and Family Services
Post Office Box 182367
Columbus, Ohio 43218-2367

Provider: Alexis Investments, Incorporated
212 East Township Avenue
Cincinnati, Ohio 45216

Provider Number: 0230119

Review Period: January 1, 2000 through December 31, 2000

AOS Finding Amount: \$128,870.34

Date Payment Mailed: _____

Check Number: _____

IMPORTANT: To ensure that our office properly credits your payment, please also fax a copy of this remittance form to: Charles T. Carle at (614) 728-7398.



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ALEXIS INVESTMENTS, INC.

HAMILTON 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 28, 2001**