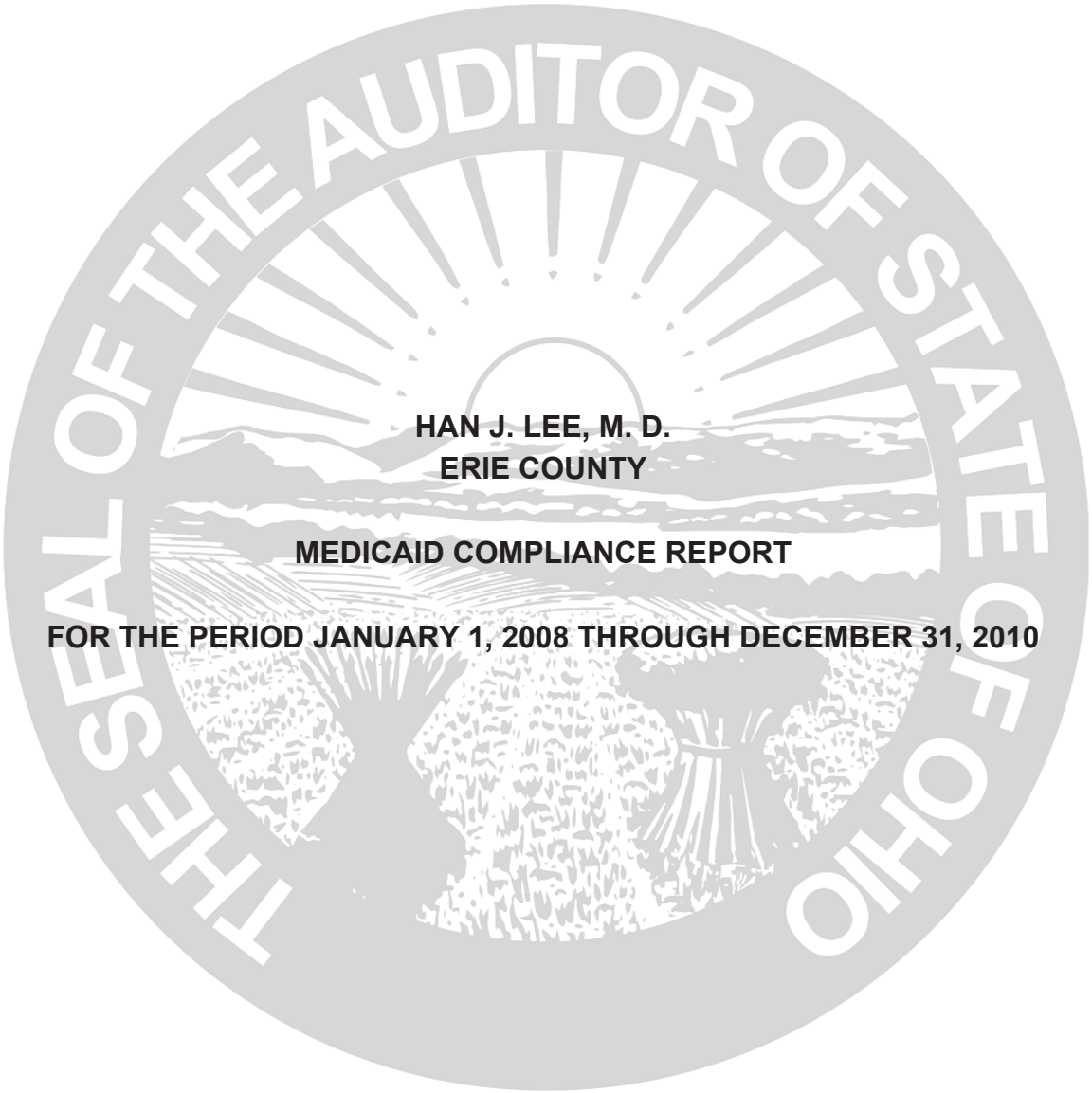

HAN J. LEE, M. D.
ERIE COUNTY

MEDICAID COMPLIANCE REPORT

FOR THE PERIOD JANUARY 1, 2008 THROUGH DECEMBER 31, 2010

Dave Yost · Auditor of State

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HAN J. LEE, M. D.
ERIE COUNTY

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Independent Accountant's Report

Han J. Lee, M.D.
1617 West Bogart Road
Sandusky, Ohio 44870

RE: Medicaid Provider Number 0425329

Dear Dr. Lee:

We examined Han J. Lee, M. D. (the Provider) for compliance with Ohio Administrative Code (Ohio Admin. Code) §§ 5101:3-4-06 and 5101:3-1-27 during the period of January 1, 2008 to December 31, 2010. Our examination was performed under our authority in Section 117.10 of the Ohio Revised Code. Dr. Lee is responsible for his compliance with those requirements. Our responsibility is to report on the Provider's compliance based on our examination.

Our examination included reviewing, on a test basis, evidence about the Provider's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our conclusions. Our examination does not provide a legal determination on the Provider's compliance with specified requirements.

We examined 256 inpatient psychiatric diagnostic interview examinations and individual psychotherapy with medical evaluation and management services and identified 14 errors relating to non-compliance with those requirements. We found the Provider was overpaid by Ohio Medicaid for services rendered between January 1, 2008 and December 31, 2010 in the amount of $699.02. This finding plus interest in the amount of $59.14 (calculated as of December 20, 2012) totaling $758.16, is due and payable to the Office of Medical Assistance (OMA) upon OMA's adoption and adjudication of this examination report[1]. After adjudication by OMA, additional interest may be assessed until the finding and interest is paid in full.

When the Auditor of State identifies fraud, waste or abuse by a provider in an examination,[2] any payment amount in excess of that legitimately due to the provider will be recouped by OMA through its office of fiscal and monitoring services, the state auditor, or the office of the attorney general. Ohio Admin. Code § 5101:3-1-29(B). Therefore, a copy of this report will be forwarded to OMA because it is the state agency charged with administering Ohio's Medicaid program. OMA is responsible for making a final determination regarding recovery of our findings and any accrued interest. If you agree with the findings contained herein, you may expedite repayment by contacting OMA's Office of Legal Services at (614) 752-3631.

[1] Effective September 10, 2012, OMA replaced the Ohio Department of Job and Family Services (ODJFS) as the single state agency responsible for supervising the administration of Ohio's Medicaid program pursuant to Ohio Rev. Code § 5111.01.

[2] "Fraud" is an intentional deception, false statement, or misrepresentation made with the knowledge that the deception, false statement, or misrepresentation could result in some unauthorized benefit to oneself or another person. "Waste and abuse" are practices that are inconsistent with professional standards of care; medical necessity; or sound fiscal, business, or, medical practices; and that constitute an overutilization of Medicaid covered services and result in an unnecessary cost to the Medicaid program. Ohio Admin. Code § 5101:3-1-29(A).

Copies of this report are also being sent to the Medicaid Fraud Control Unit of the Ohio Attorney General's Office; the U.S. Department of Health and Human Services/Office of Inspector General; and the State Medical Board of Ohio. In addition, copies are available to the public on the Auditor of State website at www.ohioauditor.gov.

Sincerely,

Dave Yost
Auditor of State

February 19, 2013

Compliance Report for Han J, Lee M. D.

Background

Title XIX of the Social Security Act, known as Medicaid, provides federal cost-sharing for each state's Medicaid program. Medicaid provides health coverage to families with low incomes, children, pregnant women, and people who are aged, blind, or who have disabilities. Hospitals, long-term care facilities, managed care organizations, individual practitioners, laboratories, medical equipment suppliers, and others (all called "providers") render medical, dental, laboratory, and other services to Medicaid patients. The rules and regulations that providers must follow are specified in the Ohio Administrative Code and the Ohio Revised Code. The fundamental concept underlying the Medicaid program is medical necessity of services: defined as services which are necessary for the diagnosis or treatment of disease, illness, or injury, and which, among other things, meet requirements for reimbursement of Medicaid covered services. *See* Ohio Admin. Code § 5101:3-1-01(A).

The Auditor of State performs examinations to assess provider compliance with reimbursement rules to ensure that services billed to Ohio Medicaid are properly documented and consistent with professional standards of care, and medical necessity. According to Ohio Admin. Code § 5101:3-1-17.2(D), Medicaid providers must "maintain all records necessary and in such form so as to fully disclose the extent of services provided and significant business transactions" for a period of six years or until any audit initiated within the six year period is completed. Providers must furnish such records for audit and review purposes. Ohio Admin. Code § 5101:3-1-17.2(E); see also Ohio Admin. Code § 5101:3-1-27(C),(E),(F).

Dr. Lee's Ohio Medicaid provider number is 0425329 and he is a doctor of medicine located in Erie County, Ohio. During the review period, Dr. Lee provided inpatient psychiatric diagnostic interview examinations and individual psychotherapy with medical evaluation and management services to Ohio Medicaid recipients. When Ohio Medicaid was the primary payer, Medicaid reimbursed the Provider for 530 services for a total of $91,912.40. The Provider completes a history and physical exam on the first day of admission and bills this service as a psychiatric diagnostic interview examination (procedure code 90801). The Provider renders individual psychotherapy for approximately 20 to 30 minutes with medical evaluation and management services (procedure code 90817) for each additional day during the inpatient stay. In submitting claims for services, the Provider bills multiple units of procedure code 90817 for every day of the inpatient stay except the date of discharge. The Provider bills the date of discharge separately as one unit. The medical records which contain the Provider's service documentation are maintained by the inpatient facility.

Hospital care by the attending physician in treating a psychiatric inpatient or partial hospitalization may be initial or subsequent in nature and may include exchanges with nursing and ancillary personnel. Hospital care services involve a variety of responsibilities unique to the medical management of inpatients, such as physician hospital orders, interpretation of laboratory or other medical diagnostic studies and observations. Ohio Medicaid recipients may be eligible to receive inpatient psychotherapy services provided by a physician. Some patients receive only psychotherapy and others receive psychotherapy with medical evaluation and management services. Providers must select and bill the appropriate type of visit in accordance with the current procedural terminology manual. *See* Ohio Admin. Code § 5101:3-4-06(B). Inpatient hospital visits are limited to one visit per day per patient per provider. *See* Ohio Admin. Code § 5101:3-4-06(O)(2) According to Ohio Admin. Code § 5101:3-1-27(A), Medicaid providers are required to keep records that establish medical necessity and disclose the type, extent, and level of service rendered to Medicaid consumers.

Purpose, Scope, and Methodology

The purpose of this examination was to review Medicaid reimbursements and determine whether the Provider's Medicaid claims for reimbursement complied with Ohio Medicaid regulations. At the conclusion of the examination, we will identify, if appropriate, any findings resulting from non-compliance. The scope of the engagement was limited to an examination of psychiatric diagnostic interview examinations and individual psychotherapy with medical evaluation and management services for which the Provider rendered to Medicaid patients and received payment during the period of January 1, 2008 to December 31, 2010.

We received the Provider's paid claims from the Medicaid Management Information System database and we extracted denied, third-party, and Medicare cross-over claims. From this sub-population, we selected a statistical random sample to facilitate a timely and efficient examination as permitted by Ohio Admin. Code § 5101:3-1-27(B)(1). We randomly selected 30 diagnostic examination services (procedure code 90801) and then identified the individual psychotherapy with medical evaluation and management services (procedure code 90817) associated with that admission. We requested the records for each admission from the inpatient facility. After the medical records were obtained, the dates of the inpatient stay documented in the medical record were compared to the dates of the services in the sample to verify that they were from the same admission.

An engagement letter was sent to the Provider on August 21, 2012, setting forth the purpose and scope of the examination. We held an entrance conference with the Provider on October 5, 2012 and our fieldwork was performed in November 2012. We sent the Provider a list of services for which no documentation had been received on November 14, 2012. The Provider submitted additional documentation on November 28, 2012 which we also examined.

Results

All Medicaid providers are required to keep such records to establish medical necessity, and to fully disclose the basis for the type, extent, and level of the services provided to Medicaid consumers. See Ohio Admin. Code § 5101:3-1-27(A). We reviewed 256 paid service lines and found that 14 had no documentation to support the service rendered by the Provider and reimbursed by Ohio Medicaid. Therefore, the reimbursements for these 14 services which totaled $699.02 were disallowed.

We did not project a finding beyond those found in our sample because we do not project findings from a sampling when less than 10 percent of the services examined in the sample have errors and the amount of error found in the sample is less than $1,000.

Provider Response

A draft report along with a detailed list of services for which we took findings was mailed to the Provider on February 19, 2013, and the Provider was afforded an opportunity to respond to this examination report.

In responding to the report, the Provider objected to findings for two dates of service as he had provided documentation for these dates. The Provider also disagreed with finding related to one recipient as it was the hospital that could not locate the patient's records. Dr. Lee indicated he agreed with the remaining findings.

AOS Response: While the Provider did provide documentation for two dates of service, a review of the Provider's paid claims found that the services documented were billed with different dates of service. As a result, there were two paid claims for the same service. We used the documentation to

support one date of service but the remaining date was identified as overpayment. As noted in the report, all of the Provider's records were maintained by the hospital. Medicaid rules require that Medicaid Providers are required to keep records necessary to disclose the extent of services provided. No change was made to the results identified above.

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Dave Yost • Auditor of State

HAN J. LEE, M.D.

ERIE 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
MARCH 19, 2013

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