



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Ohio Medicaid Program

*Review of Medicaid Provider Reimbursements Made to
Nermin D. Lavapies, M.D.*

A Compliance Report prepared by the

Fraud, Waste and Abuse
Prevention Division



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Nermin D. Lavapies, M.D.
Attn: Stephanie Kidd, Office Manager
92 North Fourth Street #10
Martins Ferry, Ohio 43935

Re: Medicaid Review of
Provider Number 0113595

Dear Dr. Lavapies:

We have completed our review of selected medical services rendered to Medicaid recipients by you for the period January 1, 1995 through March 31, 2000. We identified overpayments in the amount of \$20,229.42. The attached report details the basis for the overpayment.

Following review of the draft copy of this report, it was acknowledged that a billing error had occurred and full restitution would be submitted within 45 days of release of this report. Please be advised that in accordance with Section 131.02 of the Ohio Revised Code, if payment is not made within 45 days, the overpayment will be referred to the Ohio Attorney General's Office for collection.

As a matter of policy, a copy of this report is being sent to the Ohio Department of Job and Family Services, the Ohio Attorney General, and the State Medical Board. 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

August 23, 2000

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ABBREVIATIONS

CPT	Physicians' Current Procedural Terminology
FWAP	Fraud, Waste and Abuse Prevention Division
OAC	Ohio Administrative Code
ODJFS	Ohio Department of Job and Family Services
ORC	Ohio Revised Code
MMIS	Medicaid Management Information System

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SUMMARY OF RESULTS

The Auditor of State performed a review of Nermin D. Lavapies, M.D., Provider #0113595, doing business at 92 North Fourth Street #10, Martins Ferry, Ohio 43935. During this review, findings in the amount of \$20,229.42 were identified for recovery. The cited funds are recoverable as they resulted from Medicaid claims submitted by Nermin D. Lavapies, M.D., for services that were improperly billed and reimbursed under the Ohio Medicaid Handbook and Ohio Administrative Code (OAC). Therefore, pursuant to Ohio Revised Code Section (ORC)117.28, a finding for recovery is issued against the Provider for improperly received monies in the amount of \$20,229.42.

BACKGROUND

In the State of Ohio, the Ohio Department of Job and Family Services (ODJFS) is delegated with the responsibility of administering the Medicaid Program. Within federal guidelines, ODJFS establishes reimbursement policy, service rules and regulations, arranges with providers to render their services to patients, and pays provider claims.

PURPOSE, SCOPE AND METHODOLOGY

The Auditor of State has identified billings for multiple units of service for the same patient on the same day as an area where some providers could be over billing. A computer analysis of this issue resulted in the selection of providers for audit.

The purpose of our review was to determine whether this Provider's claims for reimbursement of medical services billed with multiple units of service were made in compliance with regulations and to calculate an overpayment amount in the event of any noncompliance. Our review was limited to include only selected services billed with multiple units of service, which the Provider rendered to Medicaid recipients during the period January 1, 1995 through March 31, 2000.

To determine whether noncompliance occurred, we reviewed paid claim information¹ residing in ODJFS' Medicaid Management Information System (MMIS) for instances where a provider billed and was paid for more than one unit of service when data and/or the definition of the code billed indicated only one unit or service could have been performed. In such instances, an overpayment would be made on the difference between the amount reimbursed the provider and the established maximum fee allowed for one unit of service.

We utilized ODJFS' Medicaid Provider Handbook and the Ohio Administrative Code (OAC) as guidance in determining the applicable regulations and applicable reimbursement rates.

¹The computerized paid claims data included provider number, recipient name, recipient number, procedure codes, warrant number, date of service, amount billed and paid, and overpayment amount.

Work performed on this review was done in accordance with government auditing standards.

FINDINGS

Pursuant 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 14 various laboratory, office/outpatient and hospital care CPT codes (82270-99238) billed by the Provider. The review showed 913 paid claims where the Provider billed multiple units of service for the same patient and for the same date of service. For example, the Provider billed for performing CPT code 99223; *Initial hospital care, per day, for the evaluation and management of a patient*, with 10 units of service in a single day for the same patient. For this code, a unit of service is one patient visit. The Provider should have billed only one unit of service for the date performed because only one visit occurred.

The amount of the overpayment received by the Provider resulted from how ODJFS calculates the Medicaid maximum fee. For the example of CPT code 99223, the maximum reimbursable fee was calculated by multiplying the number of units billed (10 in this case), by the established maximum fee allowed for the service (\$59.21)². The Provider then received the billed charge (\$124), or the Medicaid maximum (\$59.21 x 10 = \$591.20), whichever was less. In this instance, the Provider should have only billed and been reimbursed for one unit of service. Therefore, an overpayment occurred for the difference between what was paid to the Provider and the proper established maximum fee for one unit (\$124 - \$59.21 = \$64.79 in this example).

Using the logic in the above example, we calculated the amount overpaid for each of the 913 instances in which the Provider billed and was paid for 10 or more units of service in lieu of the established maximum fee for one unit. The resulting overpayment was \$20,229.42.

CONCLUSION

Our review identified 913 instances in which the Provider erroneously billed and was paid for multiple units of service when only one unit of service was delivered. Therefore, pursuant to Ohio Revised Code Section (ORC) 117.28, a finding for recovery is issued against the Provider for improperly received monies in the amount of \$20,229.42.

A draft of this report was mailed to the Provider on June 7, 2000 to afford the Provider an opportunity to provide additional documentation or otherwise respond in writing. The Provider responded by telephone on June 19, 2000 to discuss the report and stated that a computer error caused the overpayment. The Provider added that full restitution of the overpayment would be made

²Maximum fees are periodically revised. This was the maximum fee from May 1, 1994 through December 31, 1996.

after our report was finalized. The Provider is aware that if payment is not made to ODJFS within 45 days of the finalization of this report, this matter will be referred to the Ohio Attorney General's office for collection.

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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: Nermin D. Lavapies, M.D.
92 North Fourth Street #10
Martins Ferry, Ohio 43935

Provider Number: 0113595

Review Period: January 1, 1995 through March 31, 2000

AOS Finding Amount: \$20,229.42

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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NERWIN D. LAVAPIES, M.D.

BELMONT 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
AUGUST 29, 2000**