



Dave Yost • Auditor of State

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**MOBILE MEDICAL, INC., DBA ONSIGHT HEALTHCARE  
ALSO KNOWN AS ONSIGHT EYE CARE  
FRANKLIN COUNTY**

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## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO PODIATRY SERVICES**

Mobile Medical, Inc. DBA OnSight Healthcare also known as OnSight Eye Care  
Andrew Feltz, O.D., Owner  
110 Polaris Parkway, Suite 220  
Westerville, Ohio 43082

RE: *Medicaid Provider Number 2901908*

Dear Dr. Feltz:

We examined Mobile Medical, Inc.'s (the Provider's) compliance with specified Medicaid requirements for provider qualifications and service documentation related to the provision of podiatry services during the period of January 1, 2009 through December 31, 2011. We confirmed that the services rendered were performed by a licensed physician and we tested service documentation to verify that there was support for the date of service that supported the procedure code paid by Ohio Medicaid. The accompanying Compliance Examination Report identifies the specific requirements examined.

### ***Provider's Responsibility***

The Provider entered into an agreement with the Ohio Department of Medicaid (ODM) to provide services to Medicaid recipients (the Provider Agreement). The Provider Agreement outlines the responsibility to adhere to the terms of the agreement, state statutes and rules, federal statutes and rules, and the regulations and policies set forth in the Medicaid Handbook including the duty to maintain records supporting claims for reimbursement made by Ohio Medicaid. Therefore, the Provider is responsible for complying with the requirements and laws outlined by the Medicaid program.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion and report on the Provider's compliance with the specified Medicaid requirements based on our examination. Our examination was performed under our authority in Section 117.10 of the Ohio Revised Code and conducted in accordance with the American Institute of Certified Public Accountants' attestation standards and, accordingly, included examining, on a test basis, evidence supporting the Provider's compliance with those Medicaid requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. However, our examination does not provide a legal determination on the Provider's compliance with the specified Medicaid requirements.

### ***Internal Control Over Compliance***

The Provider is responsible for establishing and maintaining effective internal control over compliance with the specified Medicaid requirements referred to above. We did not perform any test of the internal controls and we did not rely on the internal controls in determining our examination procedures. Accordingly, we do not express an opinion on the effectiveness of the Provider's internal control over compliance.

***Basis for Qualified Opinion***

Our examination disclosed that in a material number of instances the Provider did not maintain necessary service documentation to support services billed to, and paid by, Ohio Medicaid.

***Qualified Opinion on Compliance***

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the Provider has complied, in all material respects, with the aforementioned requirements pertaining to provider qualifications, service documentation and service authorization for the period of January 1, 2009 through December 31, 2011.

Our testing was limited to the specified Medicaid requirements detailed in the Compliance Examination Report. We did not test other requirements and, accordingly, we do not express an opinion on the Provider's compliance with other requirements.

We found the Provider was overpaid by Ohio Medicaid for services rendered between January 1, 2009 and December 31, 2011 in the amount of \$830.88. This finding plus interest in the amount of \$70.51 totaling \$901.39 is due and payable to the Ohio Department of Medicaid (ODM) upon ODM's adjudication of this examination report. When the Auditor of State identifies fraud, waste or abuse by a provider in an examination,<sup>1</sup> any payment amount in excess of that legitimately due to the provider will be recouped by ODM through its Fiscal Operations, the state auditor, or the office of the attorney general. Ohio Admin. Code § 5160-1-29(B)

This report is intended solely for the information and use of the Ohio Department of Medicaid, 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 other regulatory and oversight bodies, and is not intended to be and should not be used by anyone other than these specified parties. In addition, copies are available to the public on the Auditor of State website at [www.ohioauditor.gov](http://www.ohioauditor.gov).



**Dave Yost**  
Auditor of State

January 22, 2015

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<sup>1</sup> "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 § 5160-1-29(A)

## **COMPLIANCE EXAMINATION REPORT FOR MOBILE MEDICAL, INC. DBA ONSIGHT HEALTHCARE ALSO KNOWN AS ONSIGHT EYE CARE**

### **Background**

Title XIX of the Social Security Act, known as Medicaid, provides federal cost-sharing for each state's Medicaid program. 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 § 5160-1-01(A). According to Ohio Admin. Code § 5160-1-17.2(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 § 5160-1-17.2(E).

The Provider is a professional medical group that furnishes podiatry, dental and vision services to Ohio Medicaid recipients. During the examination period, the Provider furnished podiatry and vision services to 2,759 Medicaid recipients and received total reimbursement of \$475,919.13 for 17,903 services rendered on 11,688 recipient dates of service. A recipient date of service is defined as all services for a given recipient on a specific date of service.

Podiatry services comprised 99 percent of the Provider's services paid by Ohio Medicaid. During the examination period, there were 14 licensed podiatrists who rendered Medicaid services in this medical group. The volume of services rendered by each of these podiatrists ranged from one service to 3,622 services. From the population of podiatry services, there were 9,852 nail debridement services (procedure codes 11720 and 11721) totaling \$244,662.11 rendered to 2,307 recipients on 9,835 recipient dates of service.

OnSight, Inc., also known as OnHealthcare, provides management services including billing, scheduling and electronic health record software for the Provider. The billing manager for OnHealthcare provided copies of the electronic health records for this engagement as the documents are stored in OnHealthcare's system.

Ohio Medicaid recipients may be eligible to receive podiatric services which consist of the medical, mechanical and surgical treatment of ailments of the foot, the muscles and tendons of the leg governing the foot, and superficial lesions of the hand other than those associated with trauma. The podiatric physician may also treat the local manifestation of systemic disease as they appear in the hand and foot. Ohio Admin. Code § 5160-7-02(A)

### **Purpose, Scope, and Methodology**

The purpose of this examination was to determine whether the Provider's Medicaid claims for reimbursement complied with Ohio Medicaid regulations. Please note that all rules and code sections relied upon in this report were those in effect during the examination period and may be different from those currently in effect.

We received the Provider's claims history from the Medicaid Management Information System (MMIS) and the Medicaid Information Technology System (MITS) database of services billed to and paid by Ohio's Medicaid program for podiatry services. We removed any voids, services paid at zero, and services with third-party or Medicare co-payments. From the remaining sub-population we extracted all podiatry services on recipient dates of service where the Provider was reimbursed for

two nail debridement services to review as an exception test. The remaining subpopulation of nail debridement services (CPT codes 11720 and 11721) was then stratified based on each CPT code. The final sample size is shown in the following table:

| Strata  | Population Size | Sample Size | Selection Method  |
|---|-----------------|-------------|-------------------|
| Strata 1 = Procedure code 11720 (1-5 nails)       | 2,839           | 65          | Stratified Random |
| Strata 2 = Procedure code 11721 (6 or more nails) | 6,979           | 100         | Stratified Random |
| <b>Total:</b>                                     | <b>9,818</b>    | <b>165</b>  |                   |

We selected a random sample of 165 recipient dates of service from strata one and two to facilitate a timely and efficient examination of the Provider's podiatry services as permitted by Ohio Admin. Code § 5160-1-27(B)(1). We then obtained the detailed podiatry services for all of the selected recipient dates of service, resulting in a sample of 259 podiatry services, and tested these services during fieldwork.

When we obtained the detailed podiatry services the following Current Procedural Terminology (CPT) codes (podiatry services) were included in the samples and reviewed along with the debridement codes:

- 10060 - Incision and drainage of abscess;
- 11040 - Debridement; skin, partial thickness;
- 11055 - Paring or cutting of benign hyperkeratotic lesion; single lesion
  - 11056 - 2 to 4 lesions and 11057 - more than 4 lesions;
- 11720 and 11721 - Debridement of nail(s) by any method(s); 1 to 5 nails and 6 or more nails;
- 11730 - Avulsion of nail plate, partial or complete;
- 11750 - Excision of nail and nail matrix, partial or complete, for permanent removal;
- 99202 and 99203 –Evaluation and management of a new patient;
- 99212 and 99213–Evaluation and management of an established patient;
- 99304 and 99305 - Initial nursing facility care, per day, for the evaluation and management of a patient; and
- 99307 and 99308 Subsequent nursing facility care, per day, for the evaluation and management of a patient.

The evaluation and management CPT codes vary depending on the level of history and evaluation conducted along with the complexity of medical decision making on part of physician.

An engagement letter was sent to the Provider on July 23, 2014 setting forth the purpose and scope of the examination. An entrance conference was held on August 18, 2014. During the entrance conference the Provider described its documentation practices and processes for submitting billing to the Ohio Medicaid program. Our fieldwork was performed following the entrance conference.

## Results

We reviewed a statistical sample of 259 podiatry services and identified 12 errors resulting in an overpayment of \$295.80. We also reviewed an exception test of 52 services rendered on recipient dates of service when a Medicaid recipient received two debridement services on the same day and identified 23 errors resulting in an overpayment of \$535.08.

### **A. Provider Qualifications**

According to Ohio Admin. Code § 5101:3-3-19(G), podiatry services provided by a licensed podiatrist are reimbursable.

We verified through the Ohio e-License Center that all physicians who rendered podiatry services in our examination were licensed through the Ohio Medical Board and held a valid license during the examination period.

### **B. Service Documentation**

Medicaid providers are required to keep records that establish medical necessity and disclose the type, extent, and level of service rendered to Medicaid recipients according to Ohio Admin. Code § 5101:3-1-27(A). In addition, Ohio Admin. Code § 5101:3-4-06(B) states providers must select and bill the appropriate code.

We limited our examination to ensuring documentation was present for services rendered and that the activity noted in the documentation generally supported the CPT code billed. We obtained the description of the CPT code from the American Medical Association's CodeManager<sup>®</sup>. If the documentation did not reflect the activity consistent with the procedure code billed, we noted it as an error.

During the examination, we submitted a list of services to the Provider for which we had not received supporting documentation matching the recipient and date of service. The Provider submitted additional documentation which was reviewed for compliance. The results below reflect all of the records received.

#### *Statistical Sample*

Our review of 259 podiatry services found 12 non-compliant services. In all of these errors, the Provider billed an office visit (evaluation and management) and nail debridement for the same recipient on the same date of service. There were four evaluation and management visits and eight nail debridement services with errors. The errors include:

- Two services in which there was a blank template for the clinical note with no documentation of service delivery;
- Six services in which the documentation reflected that a history and assessment were conducted but noted that clinical findings were in a consult report; however, no consult report was submitted; and
- Four nail debridement services in which the documentation did not indicate that any nail debridement service was performed.

These 12 errors resulted in an overpayment of \$295.80.

#### *Exception Test*

Our review of 52 podiatry services on a recipient date of service when a recipient received more than one nail debridement service found 22 services in which there was no service documentation and one service in which the documentation did not indicate a debridement service was performed.

21 of these errors resulted in an overpayment of \$535.08. During our examination, the Provider requested an offset from ODM for the two remaining errors to repay the reimbursement associated with the two services. We verified that ODM processed this offset of \$53.61 on October 8, 2014.

The Provider explained that most of the duplicate billings may have been caused when one physician was listed as the "supervisor" in the billing system in addition to the treating/billing physician.

**Recommendation:**

The Provider should ensure that only services rendered and supported by service documentation are billed to Ohio Medicaid. The Provider should also ensure that the service documentation clearly indicates the service rendered. The Provider should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

**Provider Response**

The Provider submitted an official response to the results of this examination which is presented in **Appendix I**. We did not examine the Provider's response and, accordingly, we express no opinion on it.

## APPENDIX I

### **Provider Response:**

We were paid twice for these procedures. However, we did internally document these as incorrect payments. It is our policy to return all incorrect payments. We have no mechanism with Ohio Medicaid to send back over payments. If you are aware of some way to facilitate these refunds we would appreciate being informed.

We will accept the findings of the audit, with the caveat that we did show no intent to bill for these services twice. We take every effort to stay compliant with CMH regulations regarding medical billing and record keeping. We are not perfect, but believe our less than 5% error rate in the random sample shows our good faith efforts to run a compliant operation.

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**MOBILE MEDICAL INC. DBA ONSIGHT HEALTHCARE ALSO KNOWN AS ONSIGHT EYE CARE  
FRANKLIN 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  
FEBRUARY 17, 2015**