



OHIO AUDITOR OF STATE  
**KEITH FABER**





**SHIXI CHEN  
FRANKLIN COUNTY**

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# OHIO AUDITOR OF STATE KEITH FABER



Medicaid Contract Audit  
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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT ACUPUNCTURE AND EVALUATION AND MANAGEMENT SERVICES

Ohio Department of Medicaid  
50 West Town Street, Suite 400  
Columbus, Ohio 43215

RE: Shixi Chen  
Ohio Medicaid Number: 0258833 NPI: 1033140785

We examined Shixi Chen's compliance with specified Medicaid requirements for service coverage, provider qualifications and service documentation related to the provision of acupuncture services and office visits for the evaluation and management of a new or an established patient (E&M services) during the period of July 1, 2018 through June 30, 2020.

Ms. Chen entered into an agreement with the Ohio Department of Medicaid (the Department) to provide services to Medicaid recipients and to adhere to the terms of the provider agreement, Revised Code, Administrative Code, and federal statutes and rules, including the duty to maintain all records necessary and in such form so as to fully disclose the extent of services provided and significant business transactions. Ms. Chen is responsible for her compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements examined. Our responsibility is to express an opinion on Ms. Chen's compliance with the specified Medicaid requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether Ms. Chen complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether Ms. Chen complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our modified opinion. Our examination does not provide a legal determination on Ms. Chen's compliance with the specified requirements.

### ***Internal Control over Compliance***

Ms. Chen is responsible for establishing and maintaining effective internal control over compliance with the Medicaid requirements. 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 Ms. Chen's internal control over compliance.

***Basis for Qualified Opinion***

Our examination disclosed that, in a material number of instances, Ms. Chen billed for both an E&M and an acupuncture service to the same individual on the same day which is a coverage exclusion.

**Qualified Opinion on Compliance**

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, Ms. Chen complied, in all material respects, with the select requirements of acupuncture and E&M services for the period of July 1, 2018 through June 30, 2020.

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

We identified improper Medicaid payments in the amount of \$1,902.37. This finding plus interest in the amount of \$73.68 (calculated as of November 2, 2021) totaling \$1,976.05 is due and payable to the Department upon its adoption and adjudication of this examination report. Services billed to and reimbursed by the Department, which are not validated in the records, are subject to recoupment through the audit process. See Ohio Admin. Code § 5160-1-27

This report is intended solely for the information and use of Ms. Chen, the Department and other regulatory and oversight bodies, and is not intended to be, and should not be used by anyone other than these specified parties.



Keith Faber  
Auditor of State  
Columbus, Ohio

November 2, 2021

## COMPLIANCE SECTION

### 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 for the program are specified in the Ohio Administrative Code and the Ohio Revised Code. 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 from receipt of payment or until any audit initiated within the six year period is completed. Providers must furnish such records for audit and review purposes. See Ohio Admin. Code § 5160-1-17.2(D) and (E)

Shixi Chen is a licensed acupuncturist located in Columbus, Ohio. Ms. Chen has two entities registered with the Ohio Secretary of State: Acupuncture by Chen Inc. and Shixi Chen LLC. The provider agreement identifies Ms. Chen as an individual practitioner and also reflects the tax identification (ID) number for Acupuncture by Chen Inc. There is no associated provider number for Acupuncture by Chen Inc. or Shixi Chen LLC in the Medicaid Information Technology System. Under the number examined, Ms. Chen/Acupuncture by Chen Inc. received payment of \$42,411 during the examination period for 1,066 acupuncture and E&M services<sup>1</sup>.

### Purpose, Scope, and Methodology

The purpose of this examination was to determine whether Ms. Chen's claims for payment complied with Ohio Medicaid regulations and select requirements of the Medicaid managed care plans. Please note that all rules, code sections and managed care benefits relied upon in this report were those in effect during the examination period and may be different from those currently in effect.

The scope of the engagement was limited to acupuncture and E&M services as specified below for which Ms. Chen billed with dates of service from July 1, 2018 through June 30, 2020 and received payment.

We obtained Ms. Chen's fee-for-service claims history from the Medicaid database of services billed to and paid by Ohio's Medicaid program. We also requested managed care claims data for Ms. Chen's services paid by CareSource and Molina Healthcare. The fee-for-service payments were paid to Ms. Chen's tax ID and the managed care payments were paid to the tax ID of Acupuncture by Chen Inc.

From the combined fee-for-service and managed care population, we removed all denied claims and services paid at zero. We identified 111 E&M services (procedure codes 99203 and 99213) all of which were billed with the modifier 25 and were billed on the same day as an acupuncture service (97810, 97811, 97813 and 97814) to the same recipient. The modifier 25 is used to indicate an E&M service by the same practitioner on the same day of the procedure. We selected all E&M services and the acupuncture service billed on the same day to the same recipient to examine in their entirety (E&M and Acupuncture Services on Same Day Exception Test).

From the remaining population, we summarized the acupuncture services with electrical stimulation (procedure codes 97813 and 97814) by recipient date of service (RDOS). An RDOS is defined as all services for a given recipient on a specific date of service.

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<sup>1</sup> Totals reported include fee-for-service payments of \$8,629.50 and managed care payments of \$33,781.51 from CareSource and Molina Healthcare.

**Purpose, Scope, and Methodology (Continued)**

We used a statistical sampling approach to examine these services in order to facilitate a timely and efficient examination as permitted by Ohio Admin. Code § 5160-1-27(B)(1). We selected a simple random sample of 80 RDOS. The exception test and calculated sample size are shown in **Table 1**.

| <b>Table 1: Exception Test and Sample</b>   |                        |                    |                          |
|---|------------------------|--------------------|--------------------------|
| <b>Universe</b>   | <b>Population Size</b> | <b>Sample Size</b> | <b>Selected Services</b> |
| <b>Exception Test</b>   |                        |                    |                          |
| E&M and Acupuncture Services on Same Day (97810, 97811, 97813, 97814, 99203, 99213) | 332                    |                    | 332                      |
| <b>Sample</b>   |                        |                    |                          |
| Acupuncture With Electrical Stimulation (97813 and 97814)                           | 358 RDOS               | 80 RDOS            | 160                      |
| <b>Total</b>  |                        |                    | <b>492</b>               |

A notification letter was sent to Ms. Chen setting forth the purpose and scope of the examination. During the entrance conference, Ms. Chen described her documentation practices and billing process. During fieldwork, we reviewed service documentation and verified professional licensure. We sent preliminary results to Ms. Chen and she subsequently submitted additional documentation which we reviewed for compliance prior to the completion of our fieldwork.

**Results**

The summary results are shown in **Table 2**. The non-compliance and basis for findings is discussed below in further detail.

| <b>Table 2: Results</b>                  |                          |                               |                              |                         |
|--|--------------------------|-------------------------------|------------------------------|-------------------------|
| <b>Universe</b>                          | <b>Services Examined</b> | <b>Non-compliant Services</b> | <b>Non-compliance Errors</b> | <b>Improper Payment</b> |
| <b>Exception Test</b>                    |                          |                               |                              |                         |
| E&M and Acupuncture Services on Same Day | 332                      | 42                            | 42                           | \$1,902.37              |
| <b>Sample</b>                            |                          |                               |                              |                         |
| Acupuncture With Electrical Stimulation  | 160                      | 0                             | 0                            | \$0.00                  |
| <b>Total</b>                             | <b>492</b>               | <b>42</b>                     | <b>42</b>                    | <b>\$1,902.37</b>       |

**A. Provider Qualifications**

Per Ohio Admin. Code § 5160-1-17.2(H), in signing the Medicaid provider agreement, a provider agrees that the individual practitioner or employee of the company is not currently subject to sanction under Medicare, Medicaid, or Title XX; or, is otherwise prohibited from providing services to Medicaid beneficiaries. We compared Ms. Chen's name to the Office of Inspector General exclusion database and the Department's exclusion/suspension list and found no match. We also compared the identified Office Manager to the exclusion database and the exclusion/suspension list and found no match.

According to Ohio Admin. Code § 5160-8-51(B)(2), acupuncture services require a valid certificate to practice as an acupuncturist or oriental medicine practitioner. We verified via the Ohio e-License Center website that Ms. Chen was licensed by the Ohio Medical Board as an acupuncturist and the license was current and valid during the examination period.



## **B. Service Documentation**

All Medicaid providers are required by Ohio Admin. Code § 5160-1-27(A) to keep records to establish medical necessity and meet requirements that include, but are not limited to, disclosing the type, extent and duration of services provided to Medicaid recipients. We applied these requirements to the exception test and the acupuncture services sample.

Documentation was present for the 492 services examined that matched the type of service and the units billed.

## **C. Medicaid Coverage**

Medicaid payment may be made only for an acupuncture service that is medically necessary in accordance with Ohio Admin. Code § 5160-1-01 which specifies that services meet generally accepted standards of medical practice. These standards include that the services must be performed in accordance with section 4762.10 of the Ohio Rev. Code which requires that an acupuncturist, prior to treatment, confirm whether the patient has undergone, within the last six months, a diagnostic examination that was related to the condition for which the patient is seeking acupuncture and was performed by a physician or chiropractor before receiving acupuncture services. If the patient does not confirm the diagnostic examination, the acupuncturist must provide to the patient a written recommendation to undergo a diagnostic examination by a physician or chiropractor.

We confirmed that CareSource allows for both an E&M service and acupuncture service to be billed on the same day to the same recipient; however, Molina Healthcare confirmed that it follows the provisions of Ohio Admin. Code § 5160-8-51(D)(3) which states that no separate payment is made for both an E&M service and an acupuncture service rendered by the same provider to the same individual on the same day.

### *E&M and Acupuncture Services on Same Day Exception Test*

The 332 services examined consisted of 221 acupuncture services and 111 E&M services. We applied the covered benefits as confirmed by the two managed care plans. We identified 42 E & M services paid by Molina as non-compliant which resulted in the improper payment amount of \$1,902.37.

We also noted there was no discernable difference in the documentation when a separate E&M visit was billed on same date as the acupuncture service compared to the documentation when only an acupuncture service was billed. Ms. Chen stated that in the past she billed an E&M service with every acupuncture visit; however, upon instructions from managed care organizations, she now limits billing an E&M service to the initial appointment and monthly follow-up visits.

All 221 acupuncture services examined contained confirmation of a diagnostic examination by a physician or chiropractor or an acknowledgment from the patient that Ms. Chen provided a written recommendation to obtain a diagnostic examination.

### *Acupuncture With Electrical Stimulation Sample*

All 160 services examined contained confirmation of a diagnostic examination by a physician or chiropractor or an acknowledgment from the patient that Ms. Chen provided a written recommendation to obtain a diagnostic examination.

**C. Medicaid Coverage (Continued)**

**Recommendation**

Ms. Chen should ensure that services billed to Medicaid are consistent with the benefits covered by the program and that the documentation is indicative of the services rendered. Ms. Chen should address these issues to ensure compliance with Medicaid rules and avoid future findings.

**Official Response**

Ms. Chen declined to submit an official response to the results noted above.

# OHIO AUDITOR OF STATE KEITH FABER



**SHIXI CHEN**

**FRANKLIN COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 1/4/2022**

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This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)