



OHIO AUDITOR OF STATE
KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS OF THE MEDICAID PROGRAM APPLICABLE TO SELECT CHIROPRACTIC PAYMENTS

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

RE: Dixie Chiropractic, Inc.
Ohio Medicaid Number: 0106481 NPI: 1710105903

We examined compliance with specified Medicaid requirements for a sample of payments for chiropractic manipulation of five regions and all instances in which a recipient over the age of 21 had more than 15 dates of service in a calendar year during the period of January 1, 2019 through December 31, 2021 for Dixie Chiropractic, Inc. (Dixie Chiropractic).

Dixie Chiropractic 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, Ohio Revised Code, Ohio 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. Management of Dixie Chiropractic is responsible for its compliance with the specified requirements. The Compliance Section of this report identifies the specific requirements included in the engagement. Our responsibility is to express an opinion on Dixie Chiropractic'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 (AICPA). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether Dixie Chiropractic complied, in all material respects, with the specified requirements detailed in the Compliance Section. We are required to be independent of Dixie Chiropractic and to meet our ethical responsibilities, in accordance with the ethical requirements established by the AICPA related to our compliance examination.

An examination involves performing procedures to obtain evidence about whether Dixie Chiropractic 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 Dixie Chiropractic's compliance with the specified requirements.

Internal Control over Compliance

Dixie Chiropractic 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 Dixie Chiropractic's internal control over compliance.

Basis for Qualified Opinion

Our examination disclosed, in a material number of instances, Dixie Chiropractic did not obtain the required prior authorization for chiropractic manipulation services beyond the limitation and the chiropractic manipulation code billed did not match the documented number of regions manipulated.

Qualified Opinion on Compliance

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, Dixie Chiropractic has complied, in all material respects, with the select payments for chiropractic manipulations for the period January 1, 2019 to December 31, 2021.

We identified improper Medicaid payments in the amount of \$2,792.76 This finding plus interest in the amount of \$186.85 (calculated as of September 29, 2023) totaling \$2,979.61 is due and payable to the Department upon its adoption and adjudication of this 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. If waste and abuse are suspected or apparent, the Department and/or the office of the attorney general will take action to gain compliance and recoup inappropriate or excess payments.¹ See Ohio Admin. Code § 5160-1-29(B).

This report is intended solely for the information and use of Dixie Chiropractic, 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

September 29, 2023

¹ "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 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).

Dixie Chiropractic is a professional medical group with one location in Dayton, Ohio. Dixie Chiropractic received payment of approximately \$155,000 for over 6,500 chiropractic services².

Purpose, Scope, and Methodology

The purpose of this engagement was to determine whether Dixie Chiropractic's claims for payment 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. The scope of the engagement was limited to select payments for chiropractic manipulations, as specified below, for which Dixie Chiropractic billed with dates of service from January 1, 2019 through December 31, 2021 and received payment.

We obtained paid claims data from one Medicaid MCO and confirmed the services were paid to Dixie Chiropractic's tax identification number. From the MCO data, we removed services paid at zero and services previously recouped by the Department.

From the total paid services population, we selected all chiropractic manipulation payments³ for recipients over 21 years old that had more than 15 dates of service in each calendar year in our examination period (Recipients with More than 15 Dates of Service Exception Test) and a sample of payments for chiropractic manipulations of five regions (procedure code 98942) (Chiropractic Manipulation of Five Regions Sample). The exception test and calculated sample size are shown in **Table 1**.

Table 1: Exception Test and Sample		
Universe	Population Size	Selected Payments
Exception Test		
Recipients with More than 15 Dates of Service		148
Sample		
Chiropractic Manipulation of 5 Regions	2,486	60
Total		208

A notification letter was sent to Dixie Chiropractic setting forth the purpose and scope of the examination. During the entrance conference, Dixie Chiropractic described its documentation practices and billing process. During fieldwork, we obtained an understanding of the electronic dictation software used to capture documentation of services and we reviewed service documentation. We sent preliminary results to Dixie Chiropractic, and it subsequently submitted additional documentation which we reviewed for compliance prior to the completion of our fieldwork.

² Payment data from one Medicaid managed care organization (MCO).

³ These chiropractic manipulation payments include 1-2 regions (procedure code 98940), 3-4 regions (98941) and 5 regions (98942).

Results

The summary results are shown in **Table 2**. While certain services had more than one error, only one finding was made per service. The non-compliance and basis for findings is discussed below in further detail.

Table 2: Results				
Universe	Payments Examined	Non-compliant Payments	Non-compliance Errors	Improper Payment
Exception Test				
Recipients with More than 15 Dates of Service	148	127	141	\$2,736.82
Sample				
Chiropractic Manipulation of 5 Regions	60	2	2	\$55.94
Total	208	129	143	\$2,792.76

A. Provider Qualifications

Exclusion or Suspension List

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 identified four practitioners in the service documentation for the selected services and compared their names to the Office of Inspector General exclusion database and the Department's exclusion/suspension list. We found no matches.

Chiropractic Services

Per Ohio Admin. Code § 5160-1-17, a professional medical group is a group that consists of individual practitioners recognized by the Department as eligible members and the name and national provider identifier of the practitioner who furnishes services shall be on claims submitted to the Department for reimbursement. In addition, each managed care plan is required to report individual-level rendering provider information to the Department so that Ohio Medicaid complies with federal reporting requirements.

The claims data identified the rendering chiropractor for all services as David Heuser; however, service documentation reflected the names of two additional chiropractors and one chiropractic student intern completing the preceptorship program under the direct supervision of Dr. Heuser. We searched the Medicaid Information Technology System to verify the Medicaid provider agreement for the three chiropractors⁴. We confirmed a provider agreement for Dr. Heuser; however, we found no active Medicaid agreement for the remaining two chiropractors.

According to Ohio Admin. Code § 5160-8-11(B)(1), chiropractic services require a valid license to practice as a chiropractor or mechanotherapist. Based on the information from the e-License Ohio Professional Licensure System, the licenses for the three chiropractors and one intern were current and valid on the first date found in our selected services and were active during the remainder of the examination period.

⁴ We confirmed provider agreements for Dr. Heuser and the other two licensed chiropractors excluding the student intern completing his preceptorship program.

Recommendation

Dixie Chiropractic should implement changes to its billing practices to correctly identify the rendering practitioner on all claims and should ensure that only services rendered by an eligible practitioner are billed to the Ohio Medicaid program. Dixie Chiropractic should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

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 obtained service documentation from Dixie Chiropractic and compared it to the required elements. We also compared the number of regions billed to the regions documented.

Recipients with More than 15 Dates of Service Exception Test

The 148 payments examined contained 15 instances in which the chiropractic manipulation code billed did not match the manipulation services documented and two instances in which there was no documentation to support the payment. These 17 errors are included in the improper payment of \$2,736.82.

Chiropractic Manipulation of Five Regions Sample

The 60 payments examined contained two instances in which there was no documentation to support the payment. These two errors resulted in an improper payment amount of \$55.94.

Dixie Chiropractic utilized multiple methods to document services rendered. In some instances, Dixie Chiropractic provided what it referred to as grid sheets. This documentation contained the recipient's name, account number and type of insurance. The grid sheets were date stamped with each date of service and contained a limited description of the type of service rendered. In other instances, a handwritten chart note was provided by Dixie Chiropractic. These notes were difficult to read or illegible and contained limited documentation of the type of service rendered.

In addition, Dixie Chiropractic utilized an electronic dictation software to capture documentation of services. These services were transcribed into a Microsoft Word document and the document carries forward dictation from prior visits. These notes often contained misspellings or incorrect dates of service. Not all forms of documentation were provided for each service. As such, we inquired with Dr. Heuser to obtain additional clarification or explanation of the services documented and abbreviations or acronyms used and applied to the payments tested.

Recommendation

Dixie Chiropractic should develop and implement procedures to ensure that all service documentation and billing practices fully comply with requirements contained in Ohio Medicaid rules. In addition, Dixie Chiropractic should implement a quality review process to ensure that documentation is complete and accurate prior to submitting claims for reimbursement. Dixie Chiropractic should address the identified issues to ensure compliance with Medicaid rules and avoid future findings.

C. Medicaid Coverage

Recipients with More than 15 Dates of Service Exception Test

Ohio Admin. Code § 5160-8-11(D)(1)(d) limits visits in an outpatient setting to 15 dates of service per benefit year⁵ for an individual 21 years of age or older. This limitation may be exceeded with prior authorization. We confirmed with the MCO that it imposed the limitations as specified in the Ohio Administrative Code; however, the prior authorization requirement was temporarily suspended from March 27, 2020 through July 1, 2020 due to the public health emergency. We applied this suspension to our testing.

We initially performed our analysis by including all dates of service in a calendar year for a recipient and identified 148 payments for 41 unique recipients that exceeded the limitation. We subsequently determined that for 21 recipients there was one date of service in which Dixie Chiropractic was paid for x-ray images only on behalf of the recipient. By excluding the x-ray images, the coverage limitation was either not exceeded or exceeded the limitation by one less service date for these identified recipients. As a result, we did not associate any non-compliance with these 21 payments.

From the remaining 127 services examined, there were 124 instances in which there was no prior authorization to support the medical necessity of the additional chiropractic manipulation services rendered during the benefit period (calendar year). These 124 errors are included in the improper payment of \$2,736.82.

Dixie Chiropractic indicated that they do not obtain prior authorization for additional services due to the paperwork required and frequent denial of the authorization. Dixie Chiropractic stated they instead offer a discounted rate to patients for additional chiropractic services outside of what is covered. Dixie Chiropractic was unaware that the services exceeding the coverage limitation had been paid by the MCO.

Recommendation

Dixie Chiropractic should ensure that services billed to Medicaid are consistent with the benefits covered by the program. Dixie Chiropractic should address this issue to ensure compliance with Medicaid rules and avoid future findings.

Official Response

Dixie Chiropractic indicated that it will work to correct all deficiencies identified during this examination. In addition, Dixie Chiropractic stated that it relied on the MCO to track services and stop payment when a limitation was met and it will now obtain the required authorization for additional services. Dixie Chiropractic also stated it will ensure that services to Medicaid recipients are rendered by a provider with an active Medicaid agreement. Further, it will ensure that service documentation is legible and future services are coded appropriately.

We did not examine Dixie Chiropractic's response and, accordingly, we express no opinion on it.

⁵ The Department confirmed that the benefit year is based on a calendar year.

OHIO AUDITOR OF STATE KEITH FABER



DIXIE CHIROPRACTIC, INC.

MONTGOMERY 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 11/9/2023

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This report is a matter of public record and is available online at
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