American Association of Pediatric Dentistry - May 2012

Medicaid – Fraud & Abuse

Sidney Whitman, DDS
The Good, 
the Bad, 
the Ugly 
...and the VERY UGLY
Auditors

Many Suffer for the Sins of Few
Saving Money
WERE YOUR CHILDREN GIVEN UNNECESSARY DENTAL TREATMENT?

Call now, TOLL-FREE at 1-888-31-ABUSE (1-888-312-2873), or complete our form for a FREE, no-obligation dental abuse case evaluation:

Tell us about the patient:

Child’s name: ___________________________ Child’s date of birth: ___________________________

Date of dentist visit: ___________________________ Name of Dental Clinic: ___________________________

Clinic Location (street, city): ___________________________ Name of Dentist: ___________________________

How many steel crowns did the child receive? ___________________________

How many root canals did the child receive? ___________________________

Was the child restrained or tied down? Yes ☐ No ☐

Other information you would like us to know: ___________________________

Tell us how to reach you:

Are your children on Medicaid? Have they been to a chain dental clinic recently? Did they get more than 5 steel crowns? More than 5 root canals or pulpotomies? Was your child restrained or tied?
July 14, 2010

Hamilton Dental Associates
2501 Kuser RD, 2nd Floor
Hamilton, NJ 08691

AUDIT NOTICE – PROVIDER ID: 2608600

Dear Provider:

The Office of the State Comptroller Medicaid Fraud Division has determined that for the period January 1, 2009 through May 21, 2010 you are the #3 ranked Dentists with $917,194.75 in paid Medicaid benefits for that period. Please be advised that as part of our audit risk assessment, you may be selected for an audit in the future. If you have any questions, please do not hesitate to contact me.

Sincerely,

Michael A. McCoy CPA
Manager of Fiscal Resources
Office of The State Comptroller’s Office
Medicaid Fraud Division
(W) 609-826-4709
(F) 609-826-4801
Show Me The Money...

- Interstate Medicaid clinics pose threat to dentists, patients
- Monmouth County Dentist Charged with Medicaid Fraud for Allegedly Billing for Services not Rendered
- SC Dentist admits Medicaid Fraud; Agrees to pay back $800,000
- New York Medicaid Fraud May Reach into Billions
Feds Announce Largest Single Physician Medicare Fraud Bust

Physician Law

Posted at 6:56 PM on February 29, 2012 by Todd Rodriguez

Feds Announce Largest Single Physician Medicare Fraud Bust

I have been speaking with physicians for years about the importance of developing effective fraud and abuse compliance programs in their practices and I often still get the same response: The government is only interested in the big fish like pharmaceutical manufacturers and hospitals - physicians are under the radar.

Well, contrary to popular belief, it appears that there are some pretty big fish in the physician community when it comes to fraud enforcement. The Department of Justice announced this week the largest Medicare fraud bust by dollar amount of a single physician ever. Dr. Jacques Roy of Texas was accused on Tuesday of a fraud scheme which resulted in improper payments from the Medicare and Medicaid programs totaling in excess of $375 million and spanning more than half a decade.

According to the DOJ, Dr. Roy allegedly certified or directed the certification of more than 11,000 individual patients from more than 500 home health agencies over the past five years. Between 2006 and 2011, Dr. Roy’s medical-practice allegedly certified more Medicare beneficiary for home health services and any other practice in the country.
FQHC Fraud Investigations
Recruiters solicit young patients for North Texas dentists
Texas, feds take action on orthodontic fraud
HMO’s vs. Regular Medicaid
Rules of Engagement

- Frequency Limits
- Approvals – pre-authorization
- Denials
  (Reimplantation denied because did not have pre-approval)
Billing Scams

- Services not performed
- Sealants vs composites
- Analgesia vs conscious sedation
- Crowns
Services *NOT* Performed

- NYC – 991 Procedures in one day
Small Smiles - $24 million Settlement

- NJ is tightening up their auditing procedures and bringing in new software and fraud experts to save $35 million in Medicaid.
- In suspected fraud abuse in Medicaid, malpractice insurance does not cover since this is considered a criminal act.
  - Can cause a state board issue.
- Buffalo – AG Schneiderman announces $325,000 Medicaid Fraud settlement with Erie county Dental clinic for excess payments.
Dentist accused of fraud that delayed ID of fire victims

Edison man falsified records of children who died in the blaze, authorities say

By Tom Hayden
STAR-LEDGER STAFF

A Metuchen dentist who treated three children who died in a house fire last month has been accused of falsifying their records and seeking insurance reimbursement for procedures that were never performed, authorities said yesterday.

The discovery was made while trying to identify the remains of the young victims of the Feb. 23 South Plainfield fire, Middlesex County officials said. They said the alleged fraud delayed the identification of the children.

Paresh Patel, 41, was charged with bilking Medicaid for more than $1,000 worth of procedures he never did.

The bodies of the children were not released until Tuesday, almost two weeks after the blaze. In addition to the three, who ranged in age from 6 to 12, a toddler sibling and their grandmother died in the early morning fire.

Patel, an Edison resident, is also charged with falsifying dental records, tampering with dental records and obstructing the administration of law, according to Middlesex County Prosecutor Bruce Kaplan, who issued a joint statement with South Plainfield Police Chief James Parker and acting Insurance Fraud Prosecutor Ronald Chillemi of the state Attorney General's Office.

The children's mother, Natalie Jefferson, who escaped the pre-dawn blaze with three of her children, had questioned why it took so long for officials to release the bodies of her children, officially identified for the first time yesterday as Alize Jefferson, 12, Tyler Davis, 7, Christopher Jefferson, 6, and Elijah Taylor, 2.

Their grandmother was Ann Jefferson, 60.

The prosecutor said Patel's false dental records delayed the identifications of all but Elijah Taylor. Funeral services are scheduled for today in Plainfield.

"I'm as shocked as you," Ron Taylor, Elijah's father, said of the allegations against the dentist. "Every day it's something new."

One of the children who survived the fire, whom relatives identified as "Ravi," has been taken into custody.

Ravi defense likely to call

SEE DENTIST, PAGE...
Operating Room Dentistry
Center for Medicaid Strategies

- Reducing Administrative Burdens
- Credentialing
- Oral Health Coalitions
- Need for State Advisory Committees
Profiling

- Apples vs Apples
- GP's vs Pediatric Dentists
Communication is Key
Provider Profiling
Comprehensive Data Reports

Provider Code Group Ratios Report
- Measures the comparison between certain treatment procedures that would show possible signs of unusual treatment and/or billing patterns
- Calculates the ratio of procedures
- Ranks providers from the highest ratio to the lowest ratio

Provider Listing Total Cost/Average Cost per Patient Report
- Measures total dollars paid and average dollars paid per patient
- Measure total dollars paid and average dollars paid per procedure
- Ranks Providers from the highest paid claims to the lowest paid claims
Provider Profiling
Comprehensive Data Reports

Provider Practice Profile Report

- Measures code category utilization and individual procedure code utilization to evaluate their mix of types of treatment services (treatment categories) or utilization by specific treatment code.
- Summarizes common treatment categories (prevention – prophylaxis, restorations – surgery-extractions) and assigns a total composite ranking from highest to lowest.
Provider Dashboard Reports

Provider Profile

- Preventive/Diagnostic
- Treatment/Therapy
- Inlays and Crowns
- Prosthodontics
- Oral Surgery
- Periodontics
Provider Profiling Reports

Profiling tools assess variance across five domains: code group ratios, total dollars paid, average dollars paid per patient, code categories utilization and individual procedure code utilization.

Procedure code utilization reports triggered by algorithms that are based on geographic sensitive deviations from normal Medicaid practice standards.
The End
Medicaid Compliance for the Pediatric Dental Professional

May 25, 2012
• Dentists are critical partners in the success of Medicaid and the Children’s Health Insurance Program (CHIP)

• Dentists have helped increase the number of children receiving dental services through these programs by 50 percent from 2000 to 2009
At the conclusion of this presentation, participants will be able to:

• Explain how to document “medical necessity” for dental procedures
• List at least two ways in which a compliance program can benefit a dental practice
• Identify the seven elements of a compliance program and how each element can be applied to a dental practice
• Recall where to report suspected issues of fraud, waste, and abuse
Medical necessity covers “dental care at as early an age as necessary, needed for relief of pain and infections, restoration of teeth and maintenance of dental health.”
Adequate documentation of medical necessity can help avoid questions about:

- Multiple treatments on the same tooth
- Treatment more expansive than the treatment plan
Why Is Having a Compliance Program Important?

“All health care providers have a duty to ensure that the claims submitted to Federal health care programs are true and accurate.”
Benefits of an effective compliance program include:

- Ensuring true and accurate claims are submitted
- Identifying and correcting issues before they become big problems
- Placing a dental practice in a better position to respond to oversight agencies
Goals of a compliance program include:

- Providing high quality, medically-necessary services
- Adequately documenting dental services
- Appropriately billing for services rendered
The seven elements of a compliance program can be summarized as:

1. Written policies
2. Designation of compliance officer/contact(s)
3. Training
4. Communication
5. Monitoring
6. Enforcing disciplinary standards
7. Responding promptly
The written policies of a pediatric dental practice should refer to:

- Medicaid program requirements
- State dental laws and regulations
- Current Dental Terminology codes
Any entity receiving or making payments of $5 million or more annually under the State Medicaid program must have written policies that provide detailed information on:

- The False Claims Act
- Administrative remedies for false claims
- Detailed provisions regarding the entity’s policies and procedures for detecting and preventing fraud, waste, and abuse
- State laws pertaining to false claims
- Whistleblower protections

This information must be included in any existing employee handbook.
To ensure implementation of the compliance program, the practice may wish to assign:

- Overall responsibility for the compliance program to a compliance officer
- Responsibility for specific compliance tasks to different individuals
An effective compliance program should require:

- Recurrent training on:
  - The compliance program
  - Applicable statutes and regulations
  - Coding and billing
  - Documentation
  - Other risk areas
- A record of which employees have received training
Why Are Open Lines of Communication Important?

Internal reporting from employees lets the dentist:

• Find out about the problem

• Correct the problem before the practice is at risk
What Methods Can Be Used for Effective Communication?

Encourage internal reporting of compliance issues by:

- Having an open door policy
- Having a mechanism for anonymous reporting
- Discussing compliance issues in staff meetings
An effective compliance program can monitor for changes in:

- Government regulations
- Professional standards
- Billing codes
Monitor to ensure licenses or certificates are:

- Current for persons performing specified services
- Displayed as required by State law
Screening for exclusions is important because:

• Excluded employees cannot participate in Federal healthcare programs

• Federal healthcare programs cannot pay for any items or services that are furnished, ordered, or prescribed by an excluded individual

“Furnished” includes items or services provided or supplied, directly or indirectly.
How to Monitor for Exclusions

Ensure you do not employ excluded individuals.

Two fundamental issues to monitor are:

- Failure to document medical necessity of services rendered
- Failure to document informed consent
Monitoring Other Risk Areas

Some other risk areas a pediatric dental practice could monitor may include:

- Unnecessary pulpotomies
- Too many or too few X-rays
- Inappropriate use of protective stabilization devices

This is not an exhaustive or comprehensive list.
Review issues identified in recent settlements and prosecutions. Some examples are:

- Unnecessary services
  - FORBA
- Upcoding
  - Children’s Dental Group
Monitoring—Other Recent Cases

Additional issues detected in recent cases include:

- Services not rendered
  - Heartland Dental
  - James Crow
- Unbundling
  - Baker Victory Health Services Dental Center
- Lack of documentation
  - All Smiles Dental Center
Disciplinary standards should be enforced through:

- Simple and available disciplinary guidelines
- Timely and consistent disciplinary action

There should be an expectation that compliance concerns will be reported.
Prompt Responses and Corrective Action

- Examine the issue
- Collect relevant documentation
- Identify the standard that applies
Prompt Responses and Corrective Action

• Return any funds improperly billed
• Take internal corrective action
• Report to the State Medicaid agency (SMA) or other government agency, as appropriate
Centers for Medicare & Medicaid Services (CMS)
  - Payment Error Rate Measurement (PERM) program
  - Medicaid Recovery Audit Contractor (RAC)
  - Medicaid Integrity Contractors (MICs)

HHS-OIG

Federal Bureau of Investigation (FBI)

Federal prosecutors’ offices
Program Integrity Landscape—
State Agencies

- SMAs
- Medicaid Fraud Control Units (MFCUs)
- State prosecutors’ offices
Report suspect practices by other providers to:

- SMA
- MFCU
  - Contact information for SMAs and Medicaid Fraud Control Units is available at [https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/FraudAbuseforConsumers/downloads/smafraudcontacts.pdf](https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/FraudAbuseforConsumers/downloads/smafraudcontacts.pdf) on the CMS website
- HHS-OIG
  - 1-800-HHS-TIPS
A compliance program can protect your practice by:

- Ensuring that patients receive high quality care
- Finding and correcting problems before the government does
- Having well-documented files in the event of a government investigation
- Resolving employee concerns before those concerns result in:
  - A complaint to a government agency
  - A whistleblower lawsuit
Disclaimer

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May 2012