



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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# Ohio Medicaid Program

## *Review of Medicaid Provider Reimbursements Made to Akron Radiation Oncology Associates*

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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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Debbie Anderson, Business Manager  
Akron Radiation Oncology Associates  
Akron General Medical Center  
400 Wabash Avenue  
Akron, Ohio 44307

Re: Medicaid Review of  
Provider #0672366

Dear Ms. Anderson:

We have completed our review of selected medical services rendered to Medicaid recipients by Akron Radiation Oncology Associates for the period January 1, 1995 through September 30, 2000. We identified overpayments in the amount of \$88,985.71, which must be repaid to the Ohio Department of Job and Family Services. The attached report details the basis for the overpayment.

Following review of a draft copy of this report, the Provider acknowledged that a billing error had occurred and stated that full restitution would be made within 45 days of the release of this report. When making payment, please use the remittance form at the back of this report to ensure proper credit. In accordance with Ohio Revised Code Section 131.02, if payment is not made within 45 days, this matter 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 Robert I. Lidman, Deputy Chief, Fraud, Waste and Abuse Prevention Division, at (614) 728-7216.

Yours truly,

JIM PETRO  
Auditor of State

February 20, 2001



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### **ABBREVIATIONS**

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

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## ***SUMMARY OF RESULTS***

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The Auditor of State performed a review of Akron Radiation Oncology Associates, Provider #0672366, doing business at Akron General Medical Center, 400 Wabash Avenue, Akron, Ohio 44307. During this review, findings were identified in the amount of \$88,985.71. The cited funds are recoverable as they resulted from Medicaid claims submitted by Akron Radiation Oncology Associates, for services that were improperly billed and reimbursed under the Ohio Medicaid Handbook and Ohio Administrative Code (OAC).

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## ***BACKGROUND***

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In the State of Ohio, the Ohio Department of Job and Family Services (ODJFS) is responsible for 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.

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## ***PURPOSE, SCOPE AND METHODOLOGY***

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The Auditor of State has identified billings for multiple units of services 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 radiation treatment management 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 September 30, 2000.

To determine whether noncompliance occurred, we reviewed paid claim information<sup>1</sup> 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 procedure code billed indicated only one unit or service should have been billed. 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.

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

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<sup>1</sup>The 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.

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## ***FINDINGS***

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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. . .

Chapter 3336, V (II-87) of the Ohio Medicaid Handbook, states...”for the reimbursement for the professional services associated with radiation treatments, the provider must bill the appropriate CPT code for clinical treatment management...” and “...the management level billed by the provider must follow the definitions in the CPT.” According to definitions promulgated by the American Medical Association for CPT codes 77427 to 77499, the radiation treatment management consists of five fractions (treatment sessions) delivered during one week, regardless of the time intervals between the treatments.

We reviewed three radiation treatment management procedure codes (CPT codes 77420<sup>2</sup>, 77427, 77430) billed by the Provider. The review showed 322 paid claims where the Provider billed 5 units of service for one weekly radiation treatment management code. The Provider should have billed one unit of service for the 5 treatment sessions instead of 5 units for each weekly period that the service was performed.

The amount of the overpayment received by the Provider resulted from how ODJFS calculates the Medicaid maximum fee. For example, the maximum reimbursable fee for CPT code 77430 was calculated by multiplying the number of units billed (5 in this case) by the established maximum fee allowed for the service (\$147.39)<sup>3</sup>. The Provider then received the billed charge (\$425) or the calculated Medicaid maximum (\$147.39 x 5 = \$736.95), whichever was less. In this instance, however, 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 established maximum fee for one unit (\$425 - \$147.39 = \$277.61 in this example).

A finding is made for a total of \$88,985.71. This represents the difference between the Provider’s reimbursement for five units of services under the three CPT codes when reduced to the established maximum fee for one unit.

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## ***PROVIDER’S RESPONSE***

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A draft report was mailed to the Provider on December 20, 2000, to afford the Provider an opportunity to provide additional documentation or otherwise respond in writing.

On January 4, 2001 the Provider responded that they concurred with our findings and intend to repay the \$88,985.71 overpayment.

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<sup>2</sup> CPT code 77420 has been replaced by CPT code 77427.

<sup>3</sup> Maximum fees are periodically revised. This was the maximum fee for this code from January 1, 1997 through March 31, 2000.



## 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:** Akron Radiation Oncology Associates  
400 Wabash Avenue  
Akron, Ohio 44307

**Provider Number:** 0672366

**Review Period:** January 1, 1995 through September 30, 2000

**AOS Finding Amount:** \$88,985.71

**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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**AKRON RADIATION ONCOLOGY ASSOCIATION**

**SUMMIT 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 20, 2001**