



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Ohio Medicaid Program

Review of Medicaid Provider Reimbursements Made to Yellow Taxi

A Compliance Review by the

**Fraud, Waste and Abuse
Prevention Division**



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490
www.auditor.state.oh.us

Mr. John Ottenheimer, President
Yellow Taxi
P.O. Box 361
Parkersburg, West Virginia 26102

Re: Medicaid Review of Provider Number #2020897

Dear Mr. Ottenheimer:

We have completed our review of selected medical services rendered to Medicaid recipients by Yellow Taxi for the period January 1, 1996 through June 30, 2000. We identified overpayments in the amount of \$206,041.34, which must be repaid to the Ohio Department of Job and Family Services. A "provider remittance form" is located at the back of this report for remitting payment.

Please be advised that in accordance with Ohio Revised Code Section 131.02, if payment is not made to the Ohio Department of Job and Family Services within 45 days of receipt of this report, this matter will be referred to the Ohio Attorney General's office for collection.

As a matter of courtesy, a copy of this report is being sent to the Ohio Department of Job and Family Services, the Ohio Attorney General, and the Ohio State Medical Board. If you have any questions, please feel free to contact Johnnie L. Butts, Jr., Chief, Fraud, Waste and Abuse Prevention Division, at (614) 466-3212.

Yours Truly,

JIM PETRO
Auditor of State

APRIL 3, 2001

TABLE OF CONTENTS

SUMMARY OF RESULTS	1
BACKGROUND	1
PURPOSE, SCOPE AND METHODOLOGY	2
FINDINGS	4
Transport of Ambulatory Recipients	4
Undocumented Services	4
Drivers Lacking First Aid Training	4
Multiple Transports Billed as Individual Transports	5
Lack of Support for Medical Necessity	6
PROVIDER'S RESPONSE	6
APPENDIX I: Summary of Record Analysis for Yellow Taxi	7
PROVIDER REMITTANCE FORM	9

ABBREVIATIONS

CPT	Physician's Current Procedural Terminology
EMT	Emergency Medical Technician
FWAP	Fraud, Waste and Abuse Prevention (Division of)
HCFA	Health Care Financing Administration
HCPCS	HCFA Common Procedure Coding System
MMIS	Medicaid Management Information System
ODJFS	Ohio Department of Job and Family Services
OAC	Ohio Administrative Code
ORC	Ohio Revised Code
TCN	Transaction Control Number

This Page Intentionally Left Blank

SUMMARY OF RESULTS

The Auditor of State performed a review of Yellow Taxi, Provider #2020897, doing business at 200 Putnam Street, Suite 616, Marietta, Ohio 45750. Findings totaling

\$206,041.34 were identified for recovery. The cited funds are recoverable as they resulted from Medicaid claims submitted by Yellow Taxi for services that did not meet reimbursement rules under the Ohio Medicaid Transportation Manual and the Ohio Administrative Code (OAC).

BACKGROUND

The Auditor of State, working in cooperation with the Ohio Department of Job and Family Services (ODJFS), performs reviews designed to assess Medicaid providers' compliance with federal and state claims reimbursement rules. A Provider renders medical, dental, laboratory, or other services to Medicaid recipients.

Medicaid was established in 1965 under the authority of Title XIX of the Social Security Act and is a federal/state financed program which provides assistance to low income persons, families with dependent children, the aged, the blind, and the disabled. ODJFS administers the Medicaid program. The rules and regulations that providers must follow are issued by ODJFS in the form of an Ohio Medicaid Provider Handbook.

ODJFS' Medicaid Provider Handbook, General Information, Section II, Subsection (B), Chapter 3334, (OAC Section 5101:3-1-01), states in part, "Medical necessity" is the fundamental concept underlying the Medicaid program. A physician must render or authorize medical services within the scope of their licensure and based on their professional judgement of those services needed by an individual. "Medically necessary services" are services which are necessary for the diagnosis or treatment of disease, illness, or injury and meet accepted standards of medical practice."

Medical transportation services are among the services reimbursed by the Medicaid program when delivered by eligible providers to eligible recipients. The range of medical transportation services includes emergency and non-emergency ambulance transport to a Medicaid covered service, non-emergency ambulette/wheelchair vehicle transport to a Medicaid-covered service, as well as emergency and non-emergency air ambulance transport. Covered medical transportation services (ambulance and ambulette/wheelchair vehicle services) are those transports that are determined to be medically necessary and appropriate to the recipient's health. Requirements for providers of medical transportation services are covered in ODJFS' Transportation Services Manual, which is part of the Ohio Medicaid Provider Handbook.

Pursuant to the Ohio Medicaid Provider Handbook, Chapter 3334, Section IV, Subsection (B), and OAC Section 5101:3-1-172, providers are required to "Maintain all records necessary and in such form so as to fully disclose the extent of services provided and significant business transactions. The provider will maintain such records for a period of six years from the date of receipt of payment or until any initiated audit is completed, whichever is longer."

In addition, rule 5101:3-1-29 (C) of the OAC states: "In all instances of fraud and abuse, any amount in excess of that legitimately due to the provider will be recouped by the department through its surveillance and utilization review section, the state auditor, or the office of the attorney general.

"Abuse" is defined in rule 5101:3-1-29 (B) as "...those provider practices that are inconsistent with professional standards of care; medical necessity; or sound fiscal, business, or medical practices; and result in an unnecessary cost to the medicaid program.."

***PURPOSE SCOPE AND
METHODOLOGY***

The purpose of this review was to determine whether the Provider's claims to Medicaid for reimbursement of transportation services were in compliance with regulations and to calculate the amount of any overpayment resulting from non-compliance.

We informed the Provider by letter they had been selected for a compliance review. An Entrance Conference was held on October 23, 2000 with Jack Ottenheimer, President.

We utilized ODJFS' Ohio Medicaid Provider Handbook and the OAC as guidance in determining the extent of services and applicable reimbursement rates. We obtained the Provider's claims history from ODJFS' Medicaid Management Information System (MMIS), which lists services billed to and paid by Medicaid. This computerized claims data includes patient name, place of service, date of service, and type of procedure/service. These healthcare procedures and services are codified using one or more of the following five digit coding systems:

Current Procedural Terminology (CPT)¹,
Health Care Financing Administration's² (HCFA) Common Procedural Coding System (HCPCS), and
ODJFS' local level codes.

The scope of our review was limited to claims for which the Provider was paid by Medicaid during the period January 1, 1996 though June 30, 2000. To facilitate an accurate and timely review of paid claims, a statistical random sample of 145 transaction control numbers (TCN's), which is the identifier for a transportation service bill for one recipient, was taken. The 145 TCN's represented 709 different transportation services, which typically include each one-way transport and mileage. We examined the amounts reimbursed by ODJFS and conducted an on-site review of transportation records.

¹The CPT is published by the American Medical Association (AMA) for the purpose of providing a uniform language to describe medical services.

²HCFA has federal oversight of the Medicaid program.

For the January 1, 1996 through June 30, 2000 review period, the Provider was reimbursed \$306,556.49 for 4,480 Medicaid ambulette services, including \$23,335.58 for the 709 services in our sample. Table 1 summarizes the transportation services included in our sample.

**Table 1: Transportation Services Billed by and Reimbursed to
Yellow Taxi for 145 TCN's Reviewed
Audit Period January 1, 1996 to June 30, 2000**

Procedural Definition	Procedure Code	Number of Services	Amount of Reimbursement
Non-emergency ambulette/wheelchair vehicle transport	A0130	308	\$7,271.88
Ambulette, Loaded mileage	Z0160	401	\$16,063.70
TOTALS	-----	709	\$23,335.58

Source: Paid claims contained in ODJFS' Medicaid Management Information System

The review involved comparing transportation records with the claims payment history from MMIS. The documents requested from the Provider for review included:

- (1). A trip log which should state the date of service, time of call, name(s) of attendant(s), time of pickup, name(s) of client(s), name of driver and certification number, departure/destination, and loaded mileage. A trip log is used to validate that a transportation service took place.
- (2). The original ODJFS 3452 Physician Certification form documenting the medical necessity of the transport.
- (3). Copies of each ambulette driver's certification card for basic first-aid training. This certification may be issued by the American Red Cross or an equivalent training program.

We also visually inspected an ambulette vehicle to determine if the required equipment was in place.

Work performed on this audit was done in accordance with generally accepted government auditing standards. Detailed below are the results of this review.

FINDINGS

Our review of the statistical random sample of 145 TCN's identified findings associated with 504 of the 709 transportation services that were part of these claims. These findings were in three areas: (1) transports that were provided to ambulatory recipients; (2) undocumented services in the Provider records; and (3) drivers who lacked the requirements for First Aid Training. The total findings for these deficiencies are

TRANSPORT OF AMBULATORY RECIPIENTS

As stated in the Transportation Services Handbook, Section AMB. 1104,

. . . For purposes of ambulette transport, "nonambulatory" is defined as those handicapping or temporarily disabling conditions which preclude transportation in standard passenger vehicles (for example, wheelchair-bound individuals, bed-bound patients not requiring stretcher transportation, or otherwise nonambulatory patients). Ambulette services are not appropriate for any individual who needs or is likely to need medical attention en route or who cannot be safely transported in a wheelchair.

During our review, we learned that at least twenty-four of the 207 recipients transported by Yellow Taxi were ambulatory. Many of these recipients were transported to various outpatient facilities around the Washington County area, and a few were transported as far as Cleveland. For some of the Cleveland transports (about a 300 mile round trip), the recipient being transported told us she drove herself in an automobile. Nineteen of these ambulatory recipients appeared in our sample. Of the 709 services reviewed, 322 were claims for ambulatory recipients.

UNDOCUMENTED SERVICES

Pursuant to the Ohio Medicaid Provider Handbook, Chapter 3334, Section IV, Subsection B, (OAC Section 5101:3-1-172), the provider must maintain records for a period of six years from the date of receipt of payment or until any initiated audit is completed, whichever is longer, to fully describe the extent of services rendered.

The Provider billed and was reimbursed by ODJFS for transportation services, but was unable to provide any documentation to support 100 of the 709 services in our sample. These services included additional round trips on a single date of service when only one round trip could be verified on that date, and extraneous mileage charges without an associated trip on the same date of service as a round trip. Therefore, we were unable to verify that services were performed, and the Provider's billing for some services seemed questionable.

DRIVERS LACKING FIRST AID TRAINING

The Transportation Manual, Section AMB.1002, states providers must certify that the drivers and attendants meet the following minimum qualifications. This information must be available in the

provider's office and provided upon request.

Ambulette/wheelchair Vehicles - The Transportation Manual, AMB.1004, Section B, states, "Ambulette/wheelchair vehicle providers must certify that drivers meet the following qualifications:

- (1) the qualifications of each driver comport with local, state and federal laws and regulations.
- (2) Each driver has a current card issued as proof of successful completion of the "American Red Cross" (or equivalent) basic course in first aid."

During the Entrance Conference we requested a listing of all employees and certifications for all driving personnel who provided transportation services. The Provider was unable to provide certifications or any documentation that thirty-one (31) drivers were properly certified. These missing driver certifications resulted in 82 transportation services in our sample being ineligible for reimbursement.

SUMMARY OF FINDINGS

We projected the error rate for the 504 services detailed above across the total population of services billed by and reimbursed to the Provider. The projection identified a recoverable finding of \$206,041.34.

OTHER REPORTABLE CONDITIONS

We also identified other reportable conditions that if left uncorrected, could result in future findings.

MULTIPLE TRANSPORTS BILLED AS INDIVIDUAL TRANSPORTS

The Ohio Medicaid Transportation Manual, Section AMB 1107.2, states "Ambulance/ambulette providers should use the above listed [multiple transport] codes when billing for multiple passengers." During conversations with former Yellow Taxi employees and recipients, we discovered that multiple-passenger transports had occurred during their employment. In one instance, a group of schoolchildren were taken to an outpatient psychiatric center. These transports should have been billed as multiple transports by the Provider; however, the Provider consistently billed for the higher rate, round-trip transports. The Provider's claims data contained no multiple-trip transports during the audit period. We did not calculate overpayments for this deficiency because we were not able to quantify the extent of multiple transports.

LACK OF SUPPORT FOR MEDICAL NECESSITY

Pursuant to OAC Section 5101:3-15-05³, medical transportation providers must maintain records which fully describe the extent of services provided. One of the records that must be maintained is the original physician certification form documenting the medical necessity of the transport.

Completion of form 3452 (Physician Certification) is required by OAC Section 5101:3-15-02 in order for the transportation provider to be eligible for reimbursement for Medicaid services. This certification record validates the medical necessity of the transportation service.

The physician certification is analogous to a physician's order or a prescription. Just as a prescription is required in order for a pharmacy to dispense medications and must be maintained as a record kept by the pharmacy, the physician certification for transportation services is the document that validates the medical necessity to transport the patient and must be maintained as a record by the transportation provider.

Many of the Physician Certifications in our sample lacked medical information to support the service was medically necessary, such as a diagnosis showing the patient was wheelchair-bound. We did not calculate overpayments for this deficiency because most of the incomplete certifications were for ambulatory recipients and included in the finding discussed above.

PROVIDER'S RESPONSE

A draft of this report was mailed to the Provider on February 14, 2001 to afford the Provider an opportunity to provide additional documentation or otherwise respond in writing. As a result of the Provider's

February 27, 2001 response, we agreed to modify a section of the report. At the Provider's request, we also furnished a listing of the drivers that lacked first aid training certifications, so that the Provider could look again for their certifications. We received some certifications on March 15, 2001, and made the appropriate changes to the report.

³This cite was repealed and incorporated into OAC Section 5101:3-15-02 on March 2, 2000.

APPENDIX I

**Table 1: Summary of Record Analysis of Yellow Taxi
For the period January 1, 1996 to June 30, 2000**

Description	Audit Period January 1, 1996 - June 30, 2000
Total Medicaid Transportation Services Paid	\$306,556.49
Number of Transportation Services	18,477
Type of Examination	Statistical Random Sample of 145 TCN's
Number of Transportation Services Sampled	709
Amount Paid for Services Sampled	\$23,335.58
Projected Overpayment From Statistical Sample	\$206,041.34
Upper Limit at 95% Confidence Level	\$241,179.17
Lower Limit at 95% Confidence Level	\$170,903.51

This Page Intentionally Left Blank

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: Yellow Taxi
P.O. Box 361
Parkersburg, West Virginia 26102

Provider Number: 2020897

Review Period: January 1, 1996 through June 30, 2000

AOS Finding Amount: \$206,041.34

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.

This Page Intentionally Left Blank.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

YELLOW TAXI

WASHINGTON 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
APRIL 3, 2001**