


**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO <i>16/16</i>	DATE <i>11-17-08</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000269</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>CIC #0004681012 attached</i> 	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____
	<input type="checkbox"/> FOIA DATE DUE _____
	<input checked="" type="checkbox"/> Necessary Action

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			
2.			
3.			
4.			



Fresenius Medical Care

NOV 17 2008

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Certified Mail
Return Receipt Requested

November 12, 2008

Mr. Bill Prince
MEDICAID OF SOUTH CAROLINA
Department of Health and Human Services
P.O. Box 8206
Columbia, SC 29202-8206

Re: Fresenius Medical Care North America (FMCNA) – Review of FY 2006 Multiple Administrations of Same Medication on the Same Day

To Whom It May Concern:

FMCNA owns and operates freestanding dialysis facilities across the United States. A list of addressees and Provider Numbers of FMCNA dialysis facilities in the state of SC is enclosed as Attachment "A" (the "facilities").

We recently completed a compliance audit pertaining to billings during the timeframe of January 2006 – December 2006, relating to certain services furnished at dialysis facilities owned or managed by FMCNA. We determined that in some instances, using the principles found in the Medicare billing rules, one or more of our facilities was overpaid for these services. Since some of these overpayments involve payments received from your program, we are writing to inform you of our findings and issue a repayment.

Briefly, the following identifies audit findings for which repayment is being made:

Review of FY 2006 Multiple Administrations of Same Medication on the Same Day

Background

During a Compliance Audit Focused Pre-bill Audit in 2005, we identified a transaction where a medication that was ordered and administered more than once on the same day to the same patient was billed incorrectly.

Not all instances of multiple administrations on the same date of service are billing errors. For example, if each administration is equal to the lowest billable dose, the subsequent entries into our Proton (billing system) would not result in billing errors.

As a result of the transaction noted above, Compliance Audit identified all medications for 2006 that were administered more than once on the same day to the same patient, where said

Fresenius Medical Care North America

Corporate Headquarters:

920 Winter Street, Waltham, MA 02451 Phone: 781-699-9000

MEDICAID OF SOUTH CAROLINA

November 12, 2008

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medications had a lowest billable dose of one vial. We identified 18 medications that met this criteria.

Objective and Scope

The objective of the compliance audit was to assess the billing accuracy of 2006 for the multiple proton entries for the 18 identified medications. Our scope of audit included a review of the sample universe.

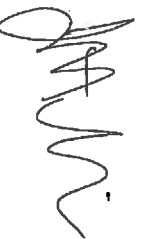
We used the results from a random sample of paid claims for the time frame noted to extrapolate an overall repayment obligation to both primary and secondary payors. We calculated an overpayment amount due to your program based on the prevalence of claims paid on behalf of your plan members during 2006. A list of applicable billing codes related to the services provided is enclosed as Attachment B.

In these instances, where we performed an extrapolation of an error rate derived from a statistical sampling of claims, as a result of a specific known or suspected error, we are unable to directly refund the payments to the payor through the normal channels. Specific beneficiary names, dates of service, and insurance plan are not available. For these audits, we provide an explanation of the audit, and repay the funds by check.

As a result of the audit, we are contacting applicable payors and making repayment based upon the extrapolated audit findings. We are returning a total of \$11.01, to cover estimated overpayments for services furnished to members of your program.

Should you have any specific questions you may contact Jennifer Hutton Scalise, Manager of Compliance Operations at 781-699-9358.

Sincerely,



Jonathan Glazier, J.D., M.B.A
Director of Corporate Compliance

Enc.
cc: File

Fresenius Medical Care North America

Corporate Headquarters: 920 Winter Street, Waltham, MA 02451 Phone: 781-699-9000

ATTACHMENT A

Multiple Overpayment Claim Detail
January 2006 - December 2006

DI ID	DI NAME	MEDICAID # - STATE	CITY	STATE	ZIP
2087	FLORENCE DIALYSIS CENTER	42-2505 - SC	FLORENCE	SC	29506
2766	ANDERSON-SC	422506 - SC	ANDERSON	SC	29621
1379	LEXINGTON DIALYSIS CENTER	42-2517 - SC	LEXINGTON	SC	29072
1550	BENNETTSTVILLE DIALYSIS CENTER	42-2520 - SC	BENNETTSTVILLE	SC	29512
2264	PEE DEE DIALYSIS CENTER	42-2576 - SC	LAKE CITY	SC	29560
1254	CAMDEN DIALYSIS CENTER	42-2582 - SC	CAMDEN	SC	29020
2661	HARTSVILLE	422586 - SC	HARTSVILLE	SC	29550
2934	ROCK HILL	422589 - SC	ROCK HILL	SC	29732
1279	GREENVILLE	425034 - SC	GREENVILLE	SC	29605
1294	COLUMBIA DIALYSIS CENTER	42-5043 - SC	COLUMBIA	SC	29203
1840	SUMTER DIALYSIS CENTER	42-5105 - SC	SUMTER	SC	29150
1255	BEAUFORT/LOW COUNTRY DIALYSIS FACILITY	42-5141 - SC	PORT ROYAL	SC	29935
1249	CHESTER	42-5187 - SC	CHESTER	SC	29706
1390	GEORGETOWN DIALYSIS CENTER	42-5196 - SC	GEORGETOWN	SC	29440
1555	KINGSTREE DIALYSIS CENTER	42-5212 - SC	KINGSTREE	SC	29556
1552	DARLINGTON DIALYSIS CENTER	42-5301 - SC	DARLINGTON	SC	29532
1414	NEWBERRY DIALYSIS CENTER	42-5310 - SC	NEWBERRY	SC	29108
1553	DILLON DIALYSIS CENTER	42-5329 - SC	DILLON	SC	29536
1843	LORIS DIALYSIS CENTER	42-5356 - SC	LORIS	SC	29569
2767	OCONEE	425365 - SC	SENECA	SC	29678
1841	MANNING DIALYSIS CENTER	42-5374 - SC	MANNING	SC	29102
1560	FORT MILL	425382 - SC	FORT MILL	SC	29715
1554	EASLEY D.C.	425418 - SC	EASLEY	SC	29640
1842	CONWAY DIALYSIS CENTER	42-5427 - SC	CONWAY	SC	29526
1468	SOUTH COLUMBIA DIALYSIS CENTER	42-5436 - SC	COLUMBIA	SC	29203
1558	MARION DIALYSIS CENTER	42-5454 - SC	MARION	SC	29571
1559	MIDTOWN	42-5463 - SC	COLUMBIA	SC	29201
3216	HILTON HEAD	42-5481 - SC	HILTON HEAD ISLAND	SC	29926
1675	WEST COLUMBIA DIALYSIS CENTER	42-5503 - SC	WEST COLUMBIA	SC	29169
1551	CHESTERFIELD COUNTY DIALYSIS CENTER	42-5516 - SC	CHESTERFIELD	SC	29709
2389	LEE COUNTY DIALYSIS CENTER	42-5669 - SC	BISHOPVILLE	SC	29010
4552	GREENVILLE WEST END	42-5674 - SC	GREENVILLE	SC	29601
2276	NORTH MYRTLE BEACH DIALYSIS CENTER	42-5696 - SC	NORTH MYRTLE BEACH	SC	29582
1938	THE MARSHLANDS DIALYSIS CENTER	42-5703 - SC	RIDGELAND	SC	29936
2080	MURRELLS INLET DIALYSIS CENTER	42-5712 - SC	MURRELLS INLET	SC	29576
2073	MEADOWLAKE DIALYSIS CENTER	42-5721 - SC	COLUMBIA	SC	29203
2229	LAKE MARION DIALYSIS CENTER	42-5730 - SC	SUMMERTON	SC	29148
2487	FREEDOM	42-5749 - SC	FLORENCE	SC	29505
1771	LOWER RICHLAND DIALYSIS CENTER	42-5841 - SC	COLUMBIA	SC	29209
2790	SIMPSONVILLE	ERD112 - SC	SIMPSONVILLE	SC	29681
2866	FAIRFIELD COUNTY	ERD114 - SC	WINNSBORO	SC	29180
2359	ANDREWS	ERD115 - SC	ANDREWS	SC	29510
2665	IRMO DIALYSIS	ERD117 - SC	IRMO	SC	29063
2383	NORTH AUGUSTA	ERD118 - SC	NORTH AUGUSTA	SC	29841
4553	LAURENS COUNTY	ERD126 - SC	CLINTON	SC	29325
4554	SIMPSONVILLE	ERD127 - SC	SIMPSONVILLE	SC	29681
3991	PENDLETON DIALYSIS	ERD145 - SC	PENDLETON	SC	29670

ATTACHMENT A

Multiple Overpayment Claim Detail
January 2006 - December 2006

DL ID	DL NAME	MEDICAID # - STATE	CTY	STATE	ZIP
4058	LUGOFF-ELGIN	ERD158 - SC	LUGOFF	SC	29078
4059	BATESBURG-LEESVILLE	ERD161 - SC	BATESBURG-LEESVILLE	SC	29070
4995	GREER	ERD162 - SC	GREER	SC	29650

PROC CODE	DESCRIPTION	GL ID	REV CODE	CPT/ HCPCS	NDC Code
462300	AMIKACIN SULFATE [Note: VIAL SIZE 500 MG]	009	636		
462301	AMIKACIN SULFATE 100 MG IV	009	636	J0278	00703-9032-03
401400	ATROPINE SULFATE IV	009	636		
401404	ATROPINE SULFATE 0.3 MG IV	009	636	J0460	00409-4911-34
464900	BUTORPHANOL TARTRAT IV	009	636		
464901	BUTORPHANOL TARTRAT 1 MG IV	009	636	J0595	55390-0185-10
428300	CALCITRIOL IV [Note: VIAL SIZE 1 MCG]	030	636		
428315	CALCITRIOL 0.1 MCG IV	030	636	J0636	63323-0731-01
402500	CALCIUM GLUCONATE IM	009	636		
402501	CALCIUM GLUCONATE 10 ML/4.65 MEQ	009	636	J0610	00517-3910-25
468300	CATHFLO ACTIVASE [Note: VIAL SIZE 2 MG]	009	636		
468301	CATHFLO ACTIVASE 1MG	009	636	J2997	50242-0041-64
425900	CEFAZALIN IV	009	636		
425903	CEFAZOLIN 500 MG IV	009	636	J0690	63323-0237-10
425700	CEFTAZEDIME IM [Note: VIAL SIZE 1000 MG]	009	636		
425702	CEFTAZEDIME 500 MG IM	009	636	J0713	00173-0378-10
432100	DIAZEPAM IV	009	636		
432102	DIAZEPAM 5 MG IV	009	636	J3360	00074-3213-02
404600	DIGOXIN IV	009	636		
404601	DIGOXIN 0.5 MG IV	009	636	J1160	00173-0260-10
437600	DIGOXIN (PO)	039	636		
437601	DIGOXIN (PO) 0.125MG PO	039	636	J3490	00527-1324-01
468200	GENTAMICIN SULFATE IV	009	636		
468201	GENTAMICIN SULFATE 80 MG IV	009	636	J1580	00409-1207-03
465100	HALOPERIDOL LACTATE IV	009	636		
465101	HALOPERIDOL LACTATE 5 MG IV	009	636	J1630	00045-0255-01
461600	HECTOROL IV [Note: VIAL SIZE 4 MCG]	043	636		
461603	HECTOROL IV 1 MCG IV	043	636	J1270	58468-0122-01
423400	HYDROXYZINE IV	009	636		
423401	HYDROXYZINE 25 MG IV	009	636	J3410	00517-5610-25
443100	HYDROXYZINE (PO)	039	636		
443101	HYDROXYZINE (PO) 25 MG PO	039	636	Q0177	00904-0362-60
421700	INFED IV [Note: VIAL SIZE 100 MG]	029	636		
421701	INFED 50 MG IV	029	636	J1751	52544-0931-02
460600	INFED TEST DOSE	009	636		
465201	KETOROLAC TROMETHAM 15 MG IM	009	636	J1885	10019-0022-32
458800	LEPIRUDIN	009	636		
458806	LEPIRUDIN 50 MG IV	009	636	J1945	50419-0150-57
427400	LORAZEPAM IV	009	636		
427402	LORAZEPAM 2 MG IV	009	636	J2060	10019-0102-01
466000	METHYLPREDNI NA SUC IV	009	636		
466001	METHYLPREDNI NA SUC 40 MG IV	009	636	J2920	00009-0113-19
466002	METHYLPREDNI NA SUC 125 MG IV	009	636	J2930	00009-0190-16
465500	METOCLOPRAMIDE HCL IV	009	636		
465501	METOCLOPRAMIDE HCL 10 MG IV	009	636	J2765	00703-4502-04
465300	PENTAZOCINE LACTATE IV	009	636		
465301	PENTAZOCINE LACTATE 30 MG IV	009	636	J3070	00074-1920-10

PROC CODE	DESCRIPTION	GL ID	REV CODE	CPT/ HCPCS	NDC Code
466200	PHENYTOIN SODIUM IV	009	636		
466201	PHENYTOIN SODIUM 50 MG IV	009	636	J1165	00409-1844-32
468600	PHENYTOIN SODIUM PO	039	636		
468602	PHENYTOIN SODIUM PO 100 MG PO	039	636	J3490	00172-2057-60
465600	PROCHLORPERAZINE IV	009	636		
465601	PROCHLORPERAZINE IV 10 MG IV	009	636	J0780	00641-0491-25
466600	PROCHLORPERAZINE PO	039	636		
466601	PROCHLORPERAZINE PO 5 MG PO	039	636	Q0164	
467000	PROMETHAZINE HCL PO	039	636		
467001	PROMETHAZINE HCL PO 25 MG PO	039	636	Q0170	00781-1830-01
424100	TOBRAMYCIN IV	009	636		
424104	TOBRAMYCIN 80 MG IV	009	636	J3260	00703-9402-04
465700	TRIMETHBENZMIDE HCL IM	009	636		
465701	TRIMETHBENZMIDE HCL 200 MG IM	009	636	J3250	
413400	VANCOMYCIN IV	009	636		
413410	VANCOMYCIN 500 MG IV	009	636	J3370	00409-4332-01
461800	VENOFER IV [Note: VIAL SIZE 100 MG]	029	636		
461803	VENOFER 1 MG IV	029	636	J1756	00517-2340-10
461900	VENOFER TEST DOSE	009	636		

Fresenius Management Systems, Inc.
 920 Walnut St.
 (609) 682-1227
 Mediamail 0004681012

Fresenius Medical Care

DATE 10/31/2008
 CHECK NO. 0004681012

PAY
 Eleven and 00/100 Dollars

TO
 THE
 ORDER
 OF

Wachovia Bank, N.A.
 of North Carolina
 One Bank of America Plaza
 Charlotte, NC 28202-1457

DEPT OF HEALTH & HUMAN SERVICES
 HHS BOX 5
 CHARLOTTE, NC 28202

Michael Buehner

⑆0004681012⑆ ⑆0093101551⑆ 2079980011555⑆

VENDOR NO. # 190986

PLEASE DETACH BEFORE DEPOSITING

PAGE 1 OF 1

0004681012

INVOICE#	INVOICE DATE	DESCRIPTION	GROSS AMOUNT	DISCOUNT AMT	NET AMOUNT
1100101708	10/17/2008	1100-MULTIPLE AUDIT	11.01	0.00	11.01
TOTALS			\$11.01		\$11.01