

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

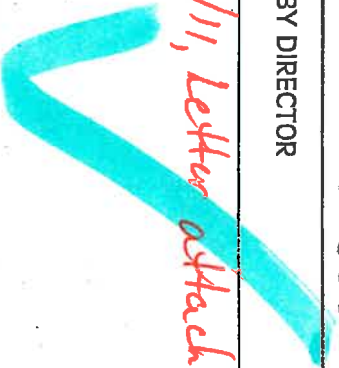
Due date changed to 3/29/11, Kelly, Bass received on 3/18/11

TO

DATE

Wells/Bass

3-7-11

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER 100290	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>Claud 4/1/11, letter attached.</i> 	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <u>3-29-11</u> <input type="checkbox"/> FOIA DATE DUE _____ <input 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.			

RECEIVED

MAR 07 2011

Department of Health & Human Services
OFFICE OF THE DIRECTOR



MARION REGIONAL HOSPITAL

March 3, 2011

Tony Keck, Director
SC Department of Health and Human Services
PO Box 8206
Columbia, SC 29202-8206

Dear Mr. Keck,

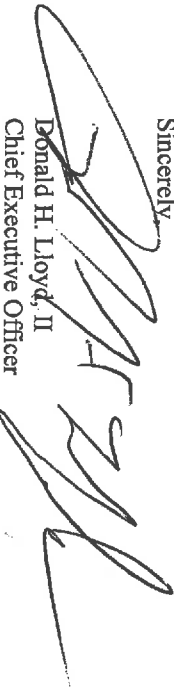
Attached please find a copy of documentation which was reported to the Internal Revenue Service by your agency suggesting that payments for professional medical services were paid directly to Marc Bahan, MD in 2009. It is apparent to me that this documentation was produced and reported in error based upon the fact that any and all payments for professional services rendered by Marc Bahan, MD would have been paid directly to the Marion Regional Healthcare System or its subsidiary Pee Dee Pediatrics. Both the Marion Regional Healthcare System and its wholly owned subsidiaries operated under Internal Revenue Service Code 501 C (3). Dr. Bahan was employed during 2009 by the Marion Regional Healthcare System. The System was the sole owner and operator of Pee Dee Pediatrics. Any and all payments for professional medical services rendered by Marc Bahan, MD were paid to the Marion Regional Healthcare System, not Marc Bahan, MD

A review of our accounting records indicates that no direct payments from the SC Department of Health and Human Services were made directly to Dr. Bahan or as pass thru payments to Dr. Bahan. Any and all income generated by Dr. Bahan through his professional association with the Marion Regional Healthcare System was reported on Dr. Bahan's 2009 W2.

I respectfully request your assistance to remedy this error on behalf of Dr. Bahan and notify the Internal Revenue Service of this error.

Should you have any questions or if any additional information is needed in this regard, please do not hesitate to contact me at your earliest convenience.

Sincerely,



Donald H. Lloyd, II
Chief Executive Officer

DHL/jlw
Cc: Marc Bahan, MD
Ed Sopiartz, Chief Financial Officer
Leesa McRae, CPA
Shelly Rowell, Cost Accountant
Internal Revenue Service

1. Information Reported to IRS that differs from the amounts shown on your return

This section tells you specifically what income information IRS has received about you from others (including your employers, banks, mortgage holders, etc.). The information listed below does not match the information you listed on your tax return. Use this table to compare the data IRS has received from others to the information you listed on your tax return to understand where the discrepancy, or difference, occurred. To assist you in reviewing your income amounts, the table may include both reported and unreported amounts from the same payer.

If this information is correct, your tax increase is \$ 11,533, plus all applicable penalties, interest and payment adjustments such as federal tax withholding, excess social security tax withheld, etc. If you pay in full by March 30, 2011, you'll owe \$ 14,345.

GROSS RECEIPTS MEDICAL Account Information	Amount Reported to IRS by Others	Amount Included on Your Return	Difference
#001 SSN: 248-23-2438 Form 1099-MISC ACCT: 1629002282	\$ 30,997	\$ 0	\$ 30,997
SC DEPT. OF HEALTH AND HUMAN SERVICE P O BOX 8206 COLUMBIA SC 292028206			
GROSS RECEIPTS MEDICAL Total	\$ 30,997	\$ 0	\$ 30,997

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO

DATE

Change due due to 3/29/11, letter just received on 3/18/11

Mells/Bass

3-7-11

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER 101390	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR _____	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <u>3-29-11</u> <input type="checkbox"/> FOIA DATE DUE _____ <input 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.			

RECEIVED
Dept. of Health
& Human Services

MAR 07 2011

Bureau of
Health Services

Log # 390

April 1, 2011

Mr. Donald H. Lloyd, II
Chief Executive Office
Marion Regional Hospital
2829 East Highway 76
Post Office Box 1150
Marion, South Carolina 29571-1150

Dear Mr. Lloyd:

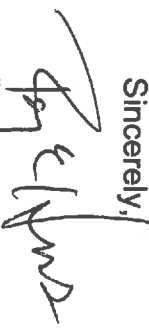
The South Carolina Department of Health & Human Services received your letter dated March 3, 2011 concerning a potential error in reporting payments to the Internal Revenue Service via form 1099-Misc for professional services rendered by Marc Bahan, MD for calendar year 2009. Further, you mentioned that Dr. Bahan was employed by the Marion Regional Healthcare system during calendar year 2009 and that any and all payments for professional medical services rendered by Dr. Bahan were paid to the Marion Regional Healthcare System.

We have confirmed that services were billed under Dr. Bahan's individual NPI (1629002282) which reflects his Social Security Number (SSN). Payments from these billings were made to the aforementioned individual NPI via Electronic Funds Transfer (EFT). Enclosed is a listing of those EFT payments and the banking information to which it was credited.

In order for future payments to be payable to Marion Regional Healthcare System, the appropriate group/organizational billing NPI will need to be indicated on claims submitted for services rendered by Dr. Bahan. We also confirmed that the same situation existed for the calendar year 2010.

If you have any questions or need additional information, please contact Provider Enrollment at 1-888-289-0709.

Sincerely,



Roy E. Hess
Deputy Director

REH/bgjh
Enclosures

C: Marc Bahan, MD

South Carolina Department of Health & Human Services
Provider Payment Report

Payment History for Provider # 1629002282

Source: MMIS Report CLP4585R01

MMIS Report MMDPRV02

CHECK DATE	CHECK NUMBER	AMOUNT PAID	AMOUNT WITHHELD	AMOUNT CREDIT	DEBIT BALANCE	CERTIFIED AMOUNT
12/25/09	6314368	\$ 705.41	\$ -	\$ -	\$ -	\$ -
12/18/09	6309856	\$ 233.13	\$ -	\$ -	\$ -	\$ -
12/11/09	6304767	\$ 270.37	\$ -	\$ -	\$ -	\$ -
12/04/09	6299866	\$ 15.07	\$ -	\$ -	\$ -	\$ -
11/20/09	6290104	\$ 1,564.80	\$ -	\$ -	\$ -	\$ -
11/13/09	6285078	\$ 914.85	\$ -	\$ -	\$ -	\$ -
11/06/09	6280176	\$ 345.59	\$ -	\$ -	\$ -	\$ -
10/30/09	6275001	\$ 20.81	\$ -	\$ -	\$ -	\$ -
10/23/09	6270138	\$ 293.58	\$ -	\$ -	\$ -	\$ -
10/16/09	6265255	\$ 1,287.92	\$ -	\$ -	\$ -	\$ -
10/09/09	6260254	\$ 43.05	\$ -	\$ -	\$ -	\$ -
10/02/09	6255423	\$ 760.86	\$ -	\$ -	\$ -	\$ -
09/25/09	6250261	\$ 28.70	\$ -	\$ -	\$ -	\$ -
09/18/09	6245289	\$ 1,251.02	\$ -	\$ -	\$ -	\$ -
09/11/09	6240430	\$ 203.01	\$ -	\$ -	\$ -	\$ -
08/28/09	6230614	\$ 346.98	\$ -	\$ -	\$ -	\$ -
08/14/09	6220850	\$ 192.77	\$ -	\$ -	\$ -	\$ -
08/07/09	6216027	\$ 1,218.20	\$ -	\$ -	\$ -	\$ -
07/31/09	6210905	\$ 748.40	\$ -	\$ -	\$ -	\$ -
07/24/09	6206075	\$ 87.15	\$ -	\$ -	\$ -	\$ -
07/10/09	6196479	\$ 653.13	\$ -	\$ -	\$ -	\$ -
07/03/09	6191738	\$ 320.84	\$ -	\$ -	\$ -	\$ -
6/26/2009	6186684	\$ 251.94	\$ -	\$ -	\$ -	\$ -
6/19/2009	6181818	\$ 759.99	\$ -	\$ -	\$ -	\$ -
6/12/2009	6176853	\$ 259.69	\$ -	\$ -	\$ -	\$ -
6/5/2009	6171982	\$ 466.18	\$ -	\$ -	\$ -	\$ -
5/29/2009	6166864	\$ 284.03	\$ -	\$ -	\$ -	\$ -
5/22/2009	6162146	\$ 693.40	\$ -	\$ -	\$ -	\$ -
5/15/2009	6157349	\$ 1,745.56	\$ -	\$ -	\$ -	\$ -
5/8/2009	6152347	\$ 36.32	\$ -	\$ -	\$ -	\$ -
5/1/2009	6147472	\$ 2,053.33	\$ -	\$ -	\$ -	\$ -
4/24/2009	6142381	\$ 257.83	\$ -	\$ -	\$ -	\$ -
4/17/2009	6137613	\$ 3,380.02	\$ -	\$ -	\$ -	\$ -
4/10/2009	6132710	\$ 242.03	\$ -	\$ -	\$ -	\$ -
3/27/2009	6122890	\$ 922.02	\$ -	\$ -	\$ -	\$ -
3/20/2009	6118104	\$ 290.87	\$ -	\$ -	\$ -	\$ -

**South Carolina Department of Health & Human Services
Provider Payment Report**

Payment History for Provider # 1629002282

Source: MMIS Report CLP4585R01

MMIS Report MMDPRV02

CHECK DATE	CHECK NUMBER	AMOUNT PAID	AMOUNT WITHHELD	AMOUNT CREDIT	DEBIT BALANCE	CERTIFIED AMOUNT
3/13/2009	6113229	\$ 1,560.13	\$ -	\$ -	\$ -	\$ -
2/27/2009	6103504	\$ 2.34	\$ -	\$ -	\$ -	\$ -
2/20/2009	6098861	\$ 89.69	\$ -	\$ -	\$ -	\$ -
2/13/2009	6094058	\$ 1,145.34	\$ -	\$ -	\$ -	\$ -
2/6/2009	6089289	\$ 122.65	\$ -	\$ -	\$ -	\$ -
1/30/2009	6084251	\$ 352.88	\$ -	\$ -	\$ -	\$ -
1/23/2009	6079660	\$ 329.88	\$ -	\$ -	\$ -	\$ -
1/16/2009	6075250	\$ 445.44	\$ -	\$ -	\$ -	\$ -
1/9/2009	6070781	\$ 3,283.78	\$ -	\$ -	\$ -	\$ -
1/2/2009	6066542	\$ 517.71	\$ -	\$ -	\$ -	\$ -

Calendar 2009 **\$ 30,998.69** \$ - \$ - \$ -

12/10/10	6576183	\$ 15.07	\$ -	\$ -	\$ -	\$ -
11/05/10	6549218	\$ 55.03	\$ -	\$ -	\$ -	\$ -
10/08/10	6527379	\$ 175.12	\$ -	\$ -	\$ -	\$ -
09/24/10	6516267	\$ 524.81	\$ -	\$ -	\$ -	\$ -
08/13/10	6484083	\$ 984.45	\$ -	\$ -	\$ -	\$ -
07/30/10	6473978	\$ 13.22	\$ -	\$ -	\$ -	\$ -
07/16/10	6463922	\$ 192.99	\$ -	\$ -	\$ -	\$ -
07/02/10	6453485	\$ 450.86	\$ -	\$ -	\$ -	\$ -
06/25/10	6448145	\$ 1,066.21	\$ -	\$ -	\$ -	\$ -
06/18/10	6443106	\$ 184.04	\$ -	\$ -	\$ -	\$ -
06/11/10	6437759	\$ 33.36	\$ -	\$ -	\$ -	\$ -
06/04/10	6432658	\$ 54.87	\$ -	\$ -	\$ -	\$ -
05/28/10	6427374	\$ 6.44	\$ -	\$ -	\$ -	\$ -
05/21/10	6422213	\$ 92.63	\$ -	\$ -	\$ -	\$ -
05/14/10	6416940	\$ 323.63	\$ -	\$ -	\$ -	\$ -
04/30/10	6406400	\$ 521.47	\$ -	\$ -	\$ -	\$ -
04/23/10	6401290	\$ 857.25	\$ -	\$ -	\$ -	\$ -
04/09/10	6390901	\$ 60.28	\$ -	\$ -	\$ -	\$ -
04/02/10	6385765	\$ 18.29	\$ -	\$ -	\$ -	\$ -
03/19/10	6375248	\$ 3.22	\$ -	\$ -	\$ -	\$ -
03/12/10	6369954	\$ 869.77	\$ -	\$ -	\$ -	\$ -
03/05/10	6364736	\$ 615.04	\$ -	\$ -	\$ -	\$ -

**South Carolina Department of Health & Human Services
Provider Payment Report**

Payment History for Provider # 1629002282

Source: MMIS Report CLP4585R01

MMIS Report MMIDPRV02

CHECK DATE	CHECK NUMBER	AMOUNT PAID	AMOUNT WITHHELD	AMOUNT CREDIT	DEBIT BALANCE	CERTIFIED AMOUNT
02/26/10	6359380	\$ 18.29	\$ -	\$ -	\$ -	\$ -
02/19/10	6354297	\$ 183.04	\$ -	\$ -	\$ -	\$ -
02/12/10	6349178	\$ 1,696.80	\$ -	\$ -	\$ -	\$ -
02/05/10	6344100	\$ 932.92	\$ -	\$ -	\$ -	\$ -
01/29/10	6338798	\$ 30.14	\$ -	\$ -	\$ -	\$ -
01/22/10	6333840	\$ 984.10	\$ -	\$ -	\$ -	\$ -
01/15/10	6328914	\$ 99.33	\$ -	\$ -	\$ -	\$ -
01/08/10	6324007	\$ 219.46	\$ -	\$ -	\$ -	\$ -
01/01/10	6319292	\$ 36.58	\$ -	\$ -	\$ -	\$ -

Calendar 2010 \$ 11,318.71

20

NOV 06 2008

South Carolina
Department of Health and Human Services
Authorization Agreement For Electronic Funds Transfer 8311059

Provider Name: MARC G. Bahum
Provider DBA Name (if applicable): Pee Dee Pediatrics
Medicaid Provider Number: 193784
Provider NPI Number: 1629002288
Provider EIN Number: 57-1126498
Address: 2835 E. Hwy 76, Suite 7
City: MULINS State: SC Zip: 29574

I (we) hereby authorize the Department of Health and Human Services to initiate credit entries and to initiate, if necessary, debit entries for any credit entries in error to my account indicated below and the financial institution named below, to credit and/or debit the same to such account. These credit entries will pertain only to the Department of Health and Human Services payment obligations resulting from Medicaid services rendered by the provider.

I (we) understand that credit entries to the account of the above named payee are done with the understanding that payment will be from federal and/or state funds and that any false claims, statements or documents or concealments of a material fact, may be prosecuted under applicable federal or state laws. I (we) certify that the information shown is correct and that this account is used solely for business purposes. I (we) further agree to provide thirty (30) days written notice to the address shown below prior to revoking or revising this authorization.

Please contact your bank to obtain the correct electronic deposit information:

Financial Institution: Carolina Bank
Address: 307 N. Main Street State: SC Zip: 29571
City: Marion
Transit/ABA Number: 053902197
Account No.: 7100316971 U-

Type of Account: ☒ Checking ☐ Savings 11-6-08

Signed: Marc G. Bahum (Signature)
Harold E. Tucker (Print)
Title: Chief Executive Officer
Date: 10/23/2008
Contact Name: Janie Blackney, Office Manager Phone: (843) 431-2650
RETURN TO:

Department of Health and Human Services
Medicaid Provider Enrollment
P.O. BOX 8809
COLUMBIA, S.C. 29202-8809
FAX (803) 699-8637

PROVIDER OUTREACH Fax:803-284-9630

Mar 25 2011 10:11am P003/006

PRV0027 S C DEPARTMENT OF HEALTH AND HUMAN SERVICES
UPDATES ON: 11/06/08

PRINT DATE: 11/06/2008

UPDATES FOR: HHVEL TIME OF LAST UPDATE: 12:05:43

HHDFR009 S C DEPARTMENT OF HEALTH AND HUMAN SERVICES
EFT INFORMATION

11/06/08

ACTION: ADD

PROV/NPI 152754 PROV NAME: MARC G BARNAN
PROV TYPE: EO PHYSICIAN,OSTEOPTH IND
PROVIDER ADDRESS: MARION REGIONAL HEALTHCARE
2805 W HIGHWAY 75 STE 7
MULLINS SC 29574-

BANK NO: 053902197 BANK NAME: CAROLINA FIRST BANK
ACCOUNT NO: 7100016971 ACCOUNT TYPE: C CURR EFT STATUS: T
CONTACT NAME: JEANNIE BLACKMON OFFICE TELEPHONE: 843 431-2630

EFT STATUS HISTORY DATE OF UPDATE ID OF UPDATE
1 11/06/08 HHVEL

RECORD ID OF UPDATE: HHVEL RECORD DATE OF UPDATE: 11/06/08

03/25/2011 09:50AM

PRV1027 S.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES PRINT DATE: 11/11/08
 UPDATES ON: 11/11/08

UPDATES FOR: HHVEL TIME OF LAST UPDATE: 12:59:29 ACTION: BEFORE

NMDPRUB9 S.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES 11/11/08
 EFT INFORMATION

ACTION: MOD

PROV/NPI 193784 PROV NAME: MARC G BAHAN
 PROV TYPE: 20 PHYSICIAN,OSTEOPATH IND
 PROVIDER ADDRESS: MARION REGIONAL HEALTHCARE
 2835 W HIGHWAY 76 STE 7
 MULLINS SC 29574--

BANK NO: 053902197 BANK NAME: CAROLINA FIRST BANK
 ACCOUNT NO: 7100316971 ACCOUNT TYPE: C CURR EFT STATUS: 1
 CONTACT NAME JEANNIE BLACKMON OFFICE TELEPHONE: 843 431-2650

EFT STATUS HISTORY DATE OF UPDATE ID OF UPDATE
 1 11/08/08 PRV97
 T 11/06/08 HHVEL

ACTION: AFTER

RECORD ID OF UPDATE: PRV97 RECORD DATE OF UPDATE: 11/06/08

NMDPRUB9 S.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES 11/11/08
 EFT INFORMATION

ACTION: MOD

PROV/NPI 193784 PROV NAME: MARC G BAHAN
 PROV TYPE: 20 PHYSICIAN,OSTEOPATH IND
 PROVIDER ADDRESS: MARION REGIONAL HEALTHCARE
 2835 W HIGHWAY 76 STE 7
 MULLINS SC 29574--

BANK NO: 053902197 BANK NAME: CAROLINA FIRST BANK
 ACCOUNT NO: 7100316971 ACCOUNT TYPE: C CURR EFT STATUS: 1
 CONTACT NAME: JEANNIE BLACKMON OFFICE TELEPHONE: 843 431-2650

EFT STATUS HISTORY DATE OF UPDATE ID OF UPDATE
 1 11/11/08 HHVEL
 1 11/08/08 PRV97
 T 11/06/08 HHVEL

RECORD ID OF UPDATE: HHVEL RECORD DATE OF UPDATE: 11/11/08

PROJECT S.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES PRINT DATE: 11/11/2008
 UPDATES ON: 11/11/08

UPDATES FOR: HHVEL TIME OF LAST UPDATE: 12:59:39 ACTION: BEFORE

MMDPUBS S.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES 11/11/08
 EFT INFORMATION

ACTION: MOD

PROV/NPI 1629002282 PROV NAME: MARC O BAHAN
 PROV TYPE: *NOT FOUND*
 PROVIDER ADDRESS:
 2835 W HIGHWAY 76 STE 7
 MULLINS SC 29574-6038

BANK NO: 053902197 BANK NAME: CAROLINA FIRST BANK
 ACCOUNT NO: 7100216971 ACCOUNT TYPE: C CURR EFT STATUS: 1
 CONTACT NAME: JEANNIE BLACKMON OFFICE TELEPHONE: 843 431-2650

EFT STATUS HISTORY	DATE OF UPDATE	ID OF UPDATE
1	11/08/08	PRV97
T	11/06/08	HHVEL

RECORD ID OF UPDATE: PRV97 RECORD DATE OF UPDATE: 11/08/08

ACTION: AFTER

MMDPUBS S.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES 11/11/08
 EFT INFORMATION

ACTION: MOD

PROV/NPI 1629002282 PROV NAME: MARC O BAHAN
 PROV TYPE: *NOT FOUND*
 PROVIDER ADDRESS:
 2835 W HIGHWAY 76 STE 7
 MULLINS SC 29574-6038

BANK NO: 053902197 BANK NAME: CAROLINA FIRST BANK
 ACCOUNT NO: 7100216971 ACCOUNT TYPE: C CURR EFT STATUS: 1
 CONTACT NAME: JEANNIE BLACKMON OFFICE TELEPHONE: 843 431-2650

EFT STATUS HISTORY	DATE OF UPDATE	ID OF UPDATE
1	11/11/08	HHVEL
1	11/08/08	PRV97
T	11/06/08	HHVEL

RECORD ID OF UPDATE: HHVEL RECORD DATE OF UPDATE: 11/11/08

UPDATES FOR: HHVEL TIME OF LAST UPDATE: 12:59:39 ACTION: BEFORE
NMDFRUB9 S.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES 11/11/08
EFT INFORMATION

PROV/NPI 193784 PROV NAME: MARC G BAHAN ACTION: MOD
PROV TYPE: *NOT FOUND*
PROVIDER ADDRESS: 2835 W HIGHWAY 76 STE 7
MULLINS SC 29574-6038

BANK NO: 053902197 BANK NAME: CAROLINA FIRST BANK
ACCOUNT NO: 7100316971 ACCOUNT TYPE: C CURR EFT STATUS: 1
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1	11/11/08	HHVEL
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RECORD ID OF UPDATE: HHVEL RECORD DATE OF UPDATE: 11/11/08

NMDFRUB9 S.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES 11/11/08
EFT INFORMATION ACTION: AFTER

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EFT STATUS HISTORY	DATE OF UPDATE	ID OF UPDATE
1	11/11/08	HHVEL
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1	11/08/08	PRV97
T	11/06/08	HHVEL

RECORD ID OF UPDATE: HHVEL RECORD DATE OF UPDATE: 11/11/08