


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

ACTION REFERRAL

TO <i>Wells</i>	DATE <i>7-1-08</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>1000006</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>Copy of CL # 0004500160</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

RECEIVED

Certified Mail

Return Receipt Requested

JUL 01 2008

June 24, 2008

Department of Health & Human Services
OFFICE OF THE DIRECTOR

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)

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 May 15, 2005 – December 31, 2005, 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 audit identifies findings for which repayment is being made:

Validation Stop:

Background

The Data Entry Error Report (DEERT) was developed in 2004 to identify potential errors by comparing medications entered into the Proton Drug Therapy Order Screen with medications entered into the Proton Medications administered screen. If the patient's drug therapy order did not match the patient's drug therapy administration on the following seven items: date range; medication procedure code; dose; route; measurement; ICD-9 code; and supply by code, then the order/administration was considered to be a potential error. The periodic release of this report (twice a month) was designed to enhance the field's ability to identify and correct data entry errors. The DEERT program did not prevent the facility from interfacing Proton with Medical Manager.

The Medication Validation Stop Routine was implemented during the fourth quarter of 2004. As a result, the facilities could no longer complete the daily interface process for any of the medications included in the program until all variances were cleared. The Medication Validation Stop Routine eliminated the need for the DEERT report being distributed to the field.

Fresenius Medical Care North America

Corporate Headquarters:

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

MEDICAID OF SOUTH CAROLINA

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Objective and Scope

The objective of this audit is to confirm the continued effectiveness of the Validation Stop Routine. The period under review is medications administered May 15, 2005 through December 31, 2005.

We used the results from a random sample of paid claims for the time frame above, 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 2005.

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 \$ 37.19, to cover estimated overpayments for services furnished to members of your program.

Should you have any specific questions you may contact Jennifer Hutton Sealise, 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

Facility #	Facility Name	MEDICAID #	CITY	STATE	ZIP
1249	CHESTER	42-5187 - SC	CHESTER	SC	29706
1254	CAMDEN DIALYSIS CENTER	42-2582 - SC	CAMDEN	SC	29020
1255	BEAUFORT/LOW COUNTRY DIALYSIS FACILITY	42-5141 - SC	PORT ROYAL	SC	29935
1279	GREENVILLE	425034 - SC	GREENVILLE	SC	29605
1294	COLUMBIA DIALYSIS CENTER	42-5043 - SC	COLUMBIA	SC	29203
1379	LEXINGTON DIALYSIS CENTER	42-2517 - SC	LEXINGTON	SC	29203
1390	GEORGETOWN DIALYSIS CENTER	42-5196 - SC	GEORGETOWN	SC	29440
1414	NEWBERRY DIALYSIS CENTER	42-5310 - SC	NEWBERRY	SC	29108
1408	SOUTH COLUMBIA DIALYSIS CENTER	42-5436 - SC	COLUMBIA	SC	29203
1560	BENNETTSVILLE DIALYSIS CENTER	42-2520 - SC	BENNETTSVILLE	SC	29512
1551	CHESTERFIELD COUNTY DIALYSIS CENTER	42-5516 - SC	CHESTERFIELD	SC	29709
1552	DARLINGTON DIALYSIS CENTER	42-5301 - SC	DARLINGTON	SC	29532
1553	DILLON DIALYSIS CENTER	42-5329 - SC	DILLON	SC	29536
1554	EASLEY D.C.	425418 - SC	EASLEY	SC	29540
1555	KINGSTREE DIALYSIS CENTER	42-5212 - SC	KINGSTREE	SC	29556
1558	MARION DIALYSIS CENTER	42-5454 - SC	MARION	SC	29571
1559	NORTHSIDE DC	42-5463 - SC	COLUMBIA	SC	29201
1560	FORT MILL	425382 - SC	FORT MILL	SC	29715
1675	WEST COLUMBIA DIALYSIS CENTER	42-5503 - SC	WEST COLUMBIA	SC	29789
1771	LOWER RICHLAND DIALYSIS CENTER	42-5841 - SC	COLUMBIA	SC	29209
1840	SUMTER DIALYSIS CENTER	42-5105 - SC	SUMTER	SC	29150
1841	MANNING DIALYSIS CENTER	42-5374 - SC	MANNING	SC	29102
1842	CONWAY DIALYSIS CENTER	42-5427 - SC	CONWAY	SC	29126
1843	LORIS DIALYSIS CENTER	42-5356 - SC	LORIS	SC	29569
1938	THE MARSHLANDS DIALYSIS CENTER	42-5703 - SC	RIDGELAND	SC	29836
1975	COLUMBIA ACUTE UNIT	NA - SC	COLUMBIA	SC	29203
2073	MEADOWLAKE DIALYSIS CENTER	42-5721 - SC	COLUMBIA	SC	29203
2080	MURRELLS INLET DIALYSIS CENTER	42-5712 - SC	MURRELLS INLET	SC	29576
2087	FLORENCE DIALYSIS CENTER	42-2505 - SC	FLORENCE	SC	29506
2229	LAKE MARION DIALYSIS CENTER	42-5730 - SC	SUMMERTON	SC	29148
2264	PEE DEE DIALYSIS CENTER	42-2576 - SC	LAKE CITY	SC	29560
2276	NORTH MYRTLE BEACH DIALYSIS CENTER	42-5686 - SC	NORTH MYRTLE BEACH	SC	29582
2359	ANDREWS	ERD115 - SC	ANDREWS	SC	29510
2383	NORTH AUGUSTA	ERD118 - SC	NORTH AUGUSTA	SC	29541
2389	LEE COUNTY DIALYSIS CENTER	42-5669 - SC	BISHOPVILLE	SC	29010
2487	FREEDOM	42-5749 - SC	FLORENCE	SC	29505
2661	HARTSVILLE	422586 - SC	HARTSVILLE	SC	29550
2665	IRMO DIALYSIS	ERD117 - SC	IRMO	SC	29063
2766	ANDERSON-SC	422506 - SC	ANDERSON	SC	29621
2767	OCONEE	425365 - SC	SENECA	SC	29678
2780	SIMPSONVILLE	ERD112 - SC	SIMPSONVILLE	SC	29681
2866	FAIRFIELD COUNTY	ERD114 - SC	WINNSBORO	SC	29180
2834	YORK COUNTY	422889 - SC	ROCK HILL	SC	29732
3216	HILTON HEAD	42-5481 - SC	HILTON HEAD ISLAND	SC	29926
3991	PENDLETON DIALYSIS	ERD145 - SC	PENDLETON	SC	29670
4059	BATESBURG-LEESVILLE	ERD161 - SC	LEESVILLE	SC	29070

Fresenius Management Services, Inc.
920 Winter St.
(609) 662-1287
Waltham, MA 02451-1457

Fresenius Medical Care

DATE 06/20/2008
CHECK NO. 0004500160

66-156
581

NET AMOUNT

PAY *****37.19*

NOT VALID AFTER 90 DAYS

PAY
Thirty seven and 19/100 Dollars

TO
THE
ORDER
OF

DEPT OF HEALTH & HUMAN SERVICES
PO Box 8286
COLUMBIA SC 29202-8206

Wachovia Bank, N.A.
of North Carolina
Chapel Hill, North Carolina 27514

Michael Bowers

⑈0004500160⑈ ⑆053101551⑆ 2079900011555⑈

VENDOR NO. # 190986

PLEASE DETACH BEFORE DEPOSITING

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0004500160

INVOICE#	INVOICE DATE	DESCRIPTION	GROSS AMOUNT	DISCOUNT AMT	NET AMOUNT
1100052008	05/20/2008	VALIDATION STOP REPAYMENT	37.19	0.00	37.19
TOTALS			\$37.19		\$37.19