

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

ACTION REFERRAL

TO <i>Meyers</i>	DATE <i>12-11-08</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000310</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>Ce. Ms. Farber</i> <i>Cleared 1/5/09, letter</i> <i>attached.</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>12-22-08</i>
	<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.			

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OFFICE OF DIRECTOR**

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DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER 300310		<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____	
2. DATE SIGNED BY DIRECTOR <i>Ce. Ms. Farber</i>		<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>12-22-08</i>	
		<input type="checkbox"/> FOIA DATE DUE _____	
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1.			
2.			
3.			
4.			

David Downie IV, M.D., P.A.

1327 Richland St. • Columbia, SC 29201 • Tel 803 252-4882 • Fax 803 252-2233

David Downie IV, M.D.
Diplomate, American Board of
Psychiatry and Neurology
Child, Adolescent, and Adult Psychiatry

December 10, 2008

RECEIVED

DEC 11 2008

Emma Forkner
Director, SCDHHS
1801 Main St.
J-11
Columbia, SC 29202

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Ms. Forkner,

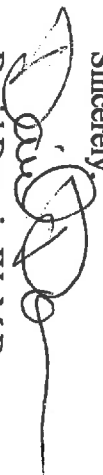
This letter is to inform you that as a child psychiatrist in solo private practice I am finding it increasingly difficult if not impossible to work with your organization. I am aware of the pressure you must be under in this difficult economic environment. As your organization develops additional managed care contracts it is becoming impossible to obtain reliable information which would enable me to bill/code appropriately and prescribe treatment which is both best for my patients and covered under your different plans.

Over the past twenty years I have provided care to many children covered under your insurance plan. These children typically are extremely ill and child psychiatric care is essential. I have provided this care on behalf of children of South Carolina at the request of many pediatricians, school officials, family practitioners, judges, law enforcement, DDS, and a multitude of the agencies. I do not participate in any insurance plans as child psychiatrists are available to patients with private managed care plan coverage. Assisting children under your insurance plan also has seemed the "right thing to do".

Unfortunately, it is likely I will be unable to continue this policy as it is not possible for my office to obtain reliable and prompt assistance regarding benefits of these children. Additionally, when I provide evaluation and management on behalf of these children and your organization disagrees with me (billing, medication selection), I am sent certified letters with a threatening tone. I do not believe this is consistent with a professional relationship which I am able to work with. It is especially disconcerting that the letter is written by health care providers. I will attempt to meet your requirements by proactively addressing service and billing issues. In an effort to meet your need to ensure patients covered under your plans, receive appropriate care which is billed as you believe they should be, I will begin sending a copy of medical records for all services I provide them. If this meets your needs and those of other government agencies and contracting companies I may be able to continue to see the children referred to me and are covered by your organizations programs. Your specialists will be able to review my records and provide me with feedback as to your expectations.

I have stopped for now accepting new patients into my practice who are covered under your insurance plans until this situation is resolved. It has been an honor to be able to work with these children for the past twenty years and for that I am thankful.

Sincerely,



David Downie IV, M.D.
Board Certified Child and Adolescent Psychiatry
Board Certified Adult Psychiatry
Clinical Professor-Department of Pediatrics
University of South Carolina
Clinical Professor-Department of Neuropsychiatry and
Behavioral Science
Fellow of American Psychiatric Association
Fellow of American Academy of Child and Adolescent Psychiatry
NPI: 1629001516

cc: Ron Shuford, R.N.
Dept. of Medical Service Review
SCDHHS
P.O. BOX 100216
Columbia, SC 29202-3210

Caughman Taylor, M.D.
Medical Director Childrens Hospital
University Pediatrics
Nine Medical Park
Columbia, SC 29203

DD/bld



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

Emma Fortner
Director

November 18, 2008

CERTIFIED MAIL

David Downie IV, M.D.
1327 Richland Street
Columbia, SC 29201-2521

PROVIDER #: 112942
CASE #: P3098

Dear Dr. Downie:

The Department of Health and Human Services is mandated by the federal government to provide surveillance and utilization review of services rendered to Medicaid beneficiaries to identify inaccurate payments and ensure compliance with Medicaid policies and guidelines. The Division of Program Integrity has identified what appears to be an error by your office for billing code 90862 for pharmacological management in conjunction with codes 90801 for psychiatric diagnostic interview exam or 99245 for office consultation on the same day of service.

The enclosed Medicaid Surveillance and Utilization Review (SURS) report for the review period October 1, 2005 through September 30, 2008 indicates that Medicaid paid claims for procedure code 90862 in conjunction with codes 90801 or 99245. Code 90862 (pharmacological management) is a service that is included in the other service codes 90801 and 99245 according to the National Correct Coding Initiative (NCCI). The SC Medicaid Program utilizes Medicare reimbursement principles. Therefore, the agency will use CCI edits to evaluate billing of CPT codes and Health Care Common Procedure Coding System (HCPCS) codes by Medicaid providers in post-payment review of providers' records. Medicaid will reimburse no more than one visit per day unless medically justified. See 2008 Medicaid Physicians Provider Manual, Section 2, Policies and Procedures, Procedural and Diagnostic Coding, page 2-11 and Definitions page 2-12.

We are asking you to review the enclosed claim data and perform a self-audit by December 1, 2008.

David Downie IV, M.D.

November 18, 2008

Page 2

After you review the enclosed claims and if you agree with the potential overpayment of \$1,092.98, you may submit your refund check by December 6, 2008 to the South Carolina Department of Health and Human Services (SCDHHS), Attention Sherry Ward, R. N., Director, Division of Program Integrity, P.O. Box 100210, Columbia, South Carolina 29202-3210. If you disagree with our finding, submit your support documentation by December 6, 2008 to Ron Shuford, R.N., at SCDHHS, Division of Program Integrity, and P.O. BOX 100210, Columbia, South Carolina 29202-3210.

Participation in the self audit program does not alleviate the possibility of further review by Program Integrity in this or future investigations and does not affect in any manner the government's ability to pursue criminal, civil, or administrative remedies or to obtain additional damages, penalties or fines or the matters which are the subject of the self audit.

We appreciate your cooperation and if you have any questions, please contact me at (803) 898-2602.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ron Shuford".

Ron Shuford, R.N.
Department of Medical Service Review

Enclosures

November 24, 2008

Ron Shuford, R.N.
Dept. of Medical Service Review
SCDHHS
P.O. Box 100216
Columbia, SC 29202-3210

Provider: 112942
Case: P3098

Dear Mr. Shuford,

I am receipt of your certified letter of 11-18-08, received 11-21-08. I have personally reviewed the patients charts you have questioned billing on.

As a child psychiatrist I am referred patients whose diagnosis and management is typically very complicated. The time needed to provide evaluation is always extensive. These patients typically have been seen by numerous physicians and have extensive medical histories for my review. This may give you a background as to the patients I see. This complicated evaluation is especially so with patients who are covered by your insurance plans. As a child psychiatrist in private practice I see patients only on a fee for service basis and participate in no managed care type programs, except Medicaid. Medicaid patients are seen only due to direct request by numerous physicians in the area. I believe seeing these complicated patients is a responsibility I have to referring physicians.

Please note that since your organization has entered into the managed care business my office is daily spending excessive time to obtain clear directions and accurate information as to which CPT-codes each plan will pay for. We spend equal time trying to obtain accurate information as to which medications are allowed by each plan. Regarding code 90801, the manual states that this code is to be used for "psychiatric diagnostic interview examination" which includes "history, mental status, and disposition, and may include communication with family or other sources, ordering and medical interpretation of laboratory or other medical diagnostic studies". Code 99245 is described in CPT manual as "consultation for psychiatric evaluation of a patient including examination of the patient and exchange of information with the primary physician and other informants such as nurses or family members, and preparation of a report. These consultation services (99241-99263) are limited to initial or follow-up evaluation and do not involve psychiatric treatment". Additionally, manual notes that "other evaluation and management services, such as office medical services, or other

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patient encounters, may be described as listed in the section on Evaluation & Management, if appropriate". "Evaluation & Management services should not be reported separately when reporting codes :

90805,90807,90809,90811,90813,90815,90817,90819,90822,90824,90827,90829".

Code 90862 is noted to include "pharmacological management, including prescription use, and review of medication with no more than minimal medical psychotherapy".

Regarding cod 99245, consultation is further defined as a "type of service provided by a physician whose opinion or advice regarding evaluation and/or management of a specific problem is requested by another physician or other appropriate source". The CPT manual further states, " any specifically identifiable procedure (ie, identified with a specific CPT code) performed on or subsequent to the date of the initial consultation should be reported separately".

As you noted in the recent Healthy Connections publication billing for duplicate services is not allowed. Codes that include medical treatment (such as 90809) cannot be billed same day as 90862. Again, 99242-5 and 90801-2 are evaluation/consultation codes, and do not include medical management as 90809 does.

Over the years my office staff has routinely requested clarification of your rules and regulations. Until past few years we were able to obtain prompt, reliable information which we could use to meet your requirements and provide quality care to patients. I have elected on rare occasion to add code 90862 to a consultation code, on the same day when psychopharmacological treatment is a distinct service which is not ever simple with the children I am referred.

Though I do not believe I owe you any monies, I cannot know all the regulations which you are governed by and thus am I. As such, after receiving my response I would be happy to meet with you or if you still feel you are entitled to a refund, please notify my office and we will comply with your decision.

Respectfully,

David Downie IV, M.D.

Board Certified Child & Adolescent Psychiatry

Board Certified Adult Psychiatry

Clinical Professor – Department of Pediatrics

University of South Carolina

Clinical Professor – Department of Neuropsychiatry and

Behavioral Science, University of South Carolina

Fellow of American Psychiatric Association

Fellow of American Academy of Child and Adolescent Psychiatry

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07
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11/25/2008

Sent to: Don Shuford, R.N. - Dept of Medical
 Street Apt. No.: P.O. Box 100216
 or PO Box No. Columbia SC 29202-3210
 City, State, ZIP+4®
 PS Form 3800, August 2005 See Reverse for Instructions

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- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Don Shuford, R.N.
 Dept. of Medical Services
 SC DHHS
 P.O. Box 100216
 Columbia SC 29202-3210

COMPLETE THIS SECTION ON DELIVERY

A. Signature David W. Walker

B. Received by (Print name) DAVID WALKER ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: NOV 25 2008 ☐ No

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☐ Insured Mail ☐ C.O.D.

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2. Article Number

(Transfer from service tag)

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PS Form 3811, February 2004

Domestic Return Receipt

102595-02-04-1540

David Downie IV, M.D., P.A.

1327 Richland St. • Columbia, SC 29201 • Tel 803 252-4882 • Fax 803 252-2233

David Downie IV, M.D.
Diplomate, American Board of
Psychiatry and Neurology
Child, Adolescent, and Adult Psychiatry

December 10, 2008

Ron Shuford, R.N.
Dept. of Medical Service Review
SCDHHS
P.O. BOX 100216
Columbia, SC 29202-3210

Mr. Shuford,

Please find enclosed copies of my medical records for all services provided to patients who are covered by your insurance plan. I will continue to send copies of all services until your organization is satisfied that my care, billing, etc., are satisfactory.

Sincerely,



David Downie IV, M.D.
Board Certified Child and Adolescent Psychiatry
Board Certified Adult Psychiatry
Clinical Professor-Department of Pediatrics
University of South Carolina
Clinical Professor- Department of Neuropsychiatry and
Behavioral Science, University of South Carolina
Fellow of American Psychiatric Association
Fellow of American Academy of Child and Adolescent Psychiatry
NPI: 1629001516

CC: Emma Forkner, Director SCDHHS
1801 Main St.
J-11
Columbia, SC 29202

DD/bld

copy



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

Emma Forkner
Director

January 5, 2009

David Downie IV, MD
1327 Richland Street
Columbia, South Carolina 29201-2521

Dear Dr. Downie:

The South Carolina Department of Health and Human Services (SCDHHS) has received your letter dated December 10, 2008, which expresses your concerns about the difficulties you have had in obtaining information about Medicaid billing requirements. First, please know that the South Carolina Medicaid program needs and respects providers like you who give services to a very needy and vulnerable population. I hope your recent experiences will not give you cause to end your participation as a Medicaid provider.

Second, please allow me to explain a little more about the role of the Division of Program Integrity at SCDHHS. The purpose of Program Integrity is to identify and help prevent Medicaid overpayments, waste, fraud and abuse, in order to ensure that scarce Medicaid dollars are used only as intended by state and federal rules. One method used to identify overpayments and billing errors is to review claims data against the National Correct Coding Initiative (NCCI). NCCI principles are also used by Medicare in its reimbursement policies. These principles in effect prescribe certain utilization criteria, which help prevent unbundled and/or duplicate payments. The Division of Program Integrity is currently performing post payment reviews of multiple providers to make sure they are following these principles. While the NCCI is certainly very technical in nature, your billing service should be familiar with these standards as well as with the CPT codes in question.

Please understand that the Program Integrity review of your claims found common billing errors and was not intended to threaten you in any way. Also, the Program Integrity review only covered fee-for-service claims, and did not include any services you provided under a managed care plan.

Office of General Counsel

P.O. Box 8206 – Columbia, South Carolina 29202-8206

(803) 898-2795 – Fax (803) 255-8210

Log # 000310

David Downie IV, MD

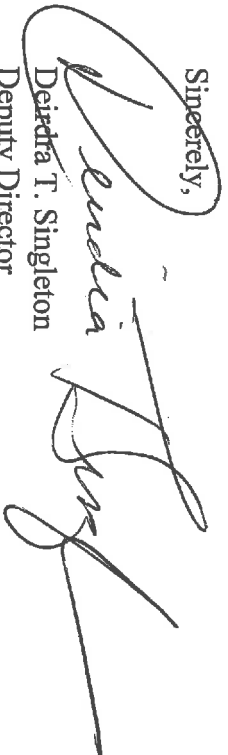
Page 2

January 5, 2009

I understand that a meeting has already been scheduled for January 9, 2009, so you can meet with the reviewers from the Division of Program Integrity as well as with program managers in the Division of Physician Services and the Division of Care Management. I hope at that time they can fully answer all of your questions, and I truly appreciate your willingness to go the extra mile to ensure proper billing in the future.

Again, thank you for your participation in the Medicaid program.

Sincerely,

A handwritten signature in black ink, appearing to read "Deirdra T. Singleton". The signature is fluid and cursive, with a large loop at the end.

Deirdra T. Singleton
Deputy Director

DTS/sm

cc: Felicity Myers, Deputy Director, Medical Services