

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

ACTION REFERRAL

TO <i>Mells</i>	DATE <i>1-17-08</i>
--------------------	------------------------

DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOC NUMBER <i>000363</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____	<input type="checkbox"/> FOIA DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>[Signature]</i> <i>Give Jany original CK # 0004240539 in the amount of \$5,559.44</i>		<input checked="" type="checkbox"/> Necessary Action	

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



Fresenius Medical Care

Log: Wells
N/A

Certified Mail

Return Receipt Requested

January 9, 2008

RECEIVED

JAN 13 2008

MEDICAID OF SOUTH CAROLINA

Mr. Bill Prince, Medicaid Director

Department of Health and Human Services,

P.O. Box 8206

Columbia, SC 29202-8206

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Re: Fresenius Medical Care North America (FMCNA)

To Whom It May Concern:

We recently completed a review of the bills submitted during May 2002 through December 31, 2006, relating to certain services furnished at Renal Care Group (RCG) dialysis facilities that were acquired by FMCNA effective March 31, 2006. 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 issuing a repayment.

Briefly, the findings for which repayment is being made is as follows:

It was determined by FMCNA that the legacy RCG dialysis facilities had inappropriately billed Activase administrations (i.e. use of Activase as a prophy/lactic catheter lock between dialysis treatments). In order to identify which Activase charges, FMCNA identified all charges for consecutive treatments as packing charges and assumed these were billed in error. All administrations of Activase were reviewed for all legacy RCG owned clinics that were acquired by FMCNA effective March 31, 2006. The time period covered by this review is May 2002, when RCG began using Activase, through December 31, 2006.

We calculated an overpayment amount due to your program based on these claims paid on behalf of your plan members during May 2002 through December 31, 2006. A list of the facilities, patients and applicable billing codes is enclosed (see Attachment A).

We have informed the Department of Health and Human Services' Office of Inspector General of this audit and calculated overpayment amounts for the primary government payors. As a result we are contacting applicable payors and making repayment based on our findings. We are returning a total of \$5,559.44, to cover estimated overpayments for services furnished to members of your program.

Fresenius Medical Care North America

Corporate Headquarters:

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

MEDICAID OF SOUTH CAROLINA

January 9, 2008

Page 2

A separate review of Activase administrations during 2007 is currently in progress. If additional overpayments are identified, we will refund them in a timely manner. We would expect the review to be completed by the end of the first quarter in 2008.

Should you have any specific questions you may contact Ryan McCoy at 781 699-4602.

Sincerely,



Todd Kerr, CPA
Senior Vice President &
Chief Compliance Officer

Attachment

cc: Kathie Deady
Kim Zeoli

Fresenius Medical Care North America

Corporate Headquarters:

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

PROC CODE	DESCRIPTION	REV GL ID CODE	CPT/ HCPCS
PHARMACY			
468301	CATHFLO ACTIVASE 1MG	009	636
			J2997

FMCNA
RCG Activase Repayment
May 2002 - December 31, 2006

State	Facility Type	Facility	Patient	Month	Payer	claim page coverage	Billing Office	Medicaid Rate	Medicare Rate	Quantity	Overpayment
SC	Owned Facility	RCG GREENVILLE	ALLGOOD, LILLIAN (8705)	200512	MEDICAID SOUTH CAROLINA-C-202-MDSC	S	CLEVELAND	\$28.94	\$31.74	10	\$49.45
SC	Owned Facility	RCG GREENVILLE	BOOKER, JAMES (15329)	200801	MEDICAID SOUTH CAROLINA-C-202-MDSC	P	CLEVELAND	\$28.94	\$31.41	7	\$157.81
SC	Owned Facility	RCG GREENVILLE	COOKER, SYLVIA M (8701)	200407	MEDICAID SOUTH CAROLINA-C-202-MDSC	S	CLEVELAND	\$28.94	\$36.70	3	\$17.15
SC	Owned Facility	RCG GREENVILLE	DUBOSE, SITERICA T (12810)	200407	MEDICAID SOUTH CAROLINA-C-202-MDSC	P	CLEVELAND	\$28.94	\$36.70	4	\$60.18
SC	Owned Facility	RCG GREENVILLE	ELLENBURG, BRENDA C (8946)	200408	MEDICAID SOUTH CAROLINA-C-202-MDSC	S	CLEVELAND	\$28.94	\$36.70	5	\$28.59
SC	Owned Facility	RCG GREENVILLE	LEOPARD, WILEY C (16182)	200804	MEDICAID SOUTH CAROLINA-C-202-MDSC	S	CLEVELAND	\$28.94	\$31.35	20	\$97.69
SC	Owned Facility	RCG GREENVILLE	STRONG, JUDY F (14281)	200504	MEDICAID SOUTH CAROLINA-C-202-MDSC	P	CLEVELAND	\$28.94	\$31.74	8	\$180.35
SC	Owned Facility	RCG GREENVILLE	STRONG, JUDY F (14281)	200505	MEDICAID SOUTH CAROLINA-C-202-MDSC	P	CLEVELAND	\$28.94	\$31.74	8	\$180.35
SC	Owned Facility	RCG GREENVILLE	TATE, SHIRLEY A (14917)	200508	MEDICAID SOUTH CAROLINA-C-202-MDSC	P	CLEVELAND	\$28.94	\$31.74	6	\$135.27
SC	Owned Facility	RCG GREENVILLE	TATE, SHIRLEY A (14917)	200509	MEDICAID SOUTH CAROLINA-C-202-MDSC	S	CLEVELAND	\$28.94	\$31.74	6	\$29.67
SC	Owned Facility	RCG GREENVILLE	TURNER, JESSIE M (8619)	200803	MEDICAID SOUTH CAROLINA-C-202-MDSC	S	CLEVELAND	\$28.94	\$31.41	8	\$39.15
SC	Owned Facility	RCG PALMETTO	WARE, SARAH D (15000)	200801	MEDICAID SOUTH CAROLINA-C-202-MDSC	P	CLEVELAND	\$28.94	\$31.41	30	\$676.33
SC	Owned Facility	RCG PALMETTO	WARE, SARAH D (15000)	200802	MEDICAID SOUTH CAROLINA-C-202-MDSC	P	CLEVELAND	\$28.94	\$31.41	47	\$1,059.58
SC	Owned Facility	RCG PALMETTO	WARE, SARAH D (15000)	200803	MEDICAID SOUTH CAROLINA-C-202-MDSC	P	CLEVELAND	\$28.94	\$31.41	36	\$811.59
SC	Owned Facility	RCG PALMETTO	WARE, SARAH D (15000)	200804	MEDICAID SOUTH CAROLINA-C-202-MDSC	P	CLEVELAND	\$28.94	\$31.35	48	\$1,082.12
SC	Owned Facility	RCG PALMETTO	WARE, SARAH D (15000)	200805	MEDICAID SOUTH CAROLINA-C-202-MDSC	P	CLEVELAND	\$28.94	\$31.35	38	\$811.59
SC	Owned Facility	RCG SIMPSONVILLE	JACKSON, BECKY J (10249)	200803	MEDICAID SOUTH CAROLINA-C-202-MDSC	S	CLEVELAND	\$28.94	\$31.41	20	\$97.88
SC	Owned Facility	RCG SIMPSONVILLE	MANGLE, LILLIE M (10188)	200802	MEDICAID SOUTH CAROLINA-C-202-MDSC	S	CLEVELAND	\$28.94	\$31.41	3	\$14.68
Total											\$5,559.44

Fresenius Management Services, Inc.
 920 Winter St.
 (800) 682-1292
 Waltham, MA 02451-1457

Fresenius Medical Care

DATE

CHECK NO.

68-152
 SSF

NET AMOUNT

PAY \$5,559.44

PAY

Five thousand five hundred and no/100 dollars

TO
 THE
 ORDER
 OF

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

First Union Bank
 of North Carolina

Chapel Hill, North Carolina 27601

⑆00004246539⑆ ⑆053101561⑆ 2079900011555⑆

VENDOR NO. # 190986

PLEASE DETACH BEFORE DEPOSITING

PAGE 1 OF 1

0004246539

INVOICE#	INVOICE DATE	DESCRIPTION	GROSS AMOUNT	DISCOUNT AMT.	NET AMOUNT
4799111607	11/16/2007	4799-ACTIVASE AUDIT 5/1/02-12/31/06	5,559.44	0.00	5,559.44
TOTALS			\$5,559.44		\$5,559.44