

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Mellis</i>	DATE <i>9-6-06</i>
-------------------------	---------------------------

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <div style="text-align: center; font-size: 1.2em;"><i>000229</i></div>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <div style="text-align: center; font-size: 1.2em;"><i>CC: Bowling</i></div>	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____
<div style="text-align: center; font-size: 1.2em;"><i>*Note: Original check #0003626610 given to Tangle</i></div>	
<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

SEP 06 2006

Department of Health & Human Services
OFFICE OF THE DIRECTOR

August 31, 2006

Certified Mail

Return Receipt Requested

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

Reg Wells
"Rec. Action"
CC: Perkins

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 an internal audit pertaining to billings during the timeframe of the 2004 claims year, 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:

Follow Up Audit of Engerix-B – 2004 Data

Engerix-B (Hepatitis B Vaccine) can be administered in two ways: one administration of 40 mcg or two administrations of 20 mcg (one in each arm).

Purpose:

To review all 2004 claims where Engerix-B was billed in order to determine if billing errors occurred.

Fresenius Medical Care North America

Corporate Headquarters:

95 Hayden Avenue

Lexington, MA 02420

(781) 402-9000

MEDICAID OF SOUTH CAROLINA
August 31, 2006
Page 2

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 2004. A list of applicable billing codes related to the services provided is enclosed as Attachment B.

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.

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 \$ 54,84, to cover estimated overpayments for services furnished to members of your program.

Should you have any specific questions you may contact me at 781-402-4602.

Sincerely,

A handwritten signature in black ink, appearing to read 'R McCoy'.

Ryan McCoy
Manager, Compliance Operations
Fresenius Medical Care North America

Enc.

cc: David Kembel

Facility #	Facility Name	Medicaid #	City	State	Zip
1249	CHESTER	42-5187	CHESTER	SC	29706
1254	CAMDEN DIALYSIS CENTER	42-2582	CAMDEN	SC	29020
1255	PART/LOW COUNTRY DIALYSIS F	42-5141	PORT ROYAL	SC	29935
1279	GREENVILLE	425034	GREENVILLE	SC	29605
1294	COLUMBIA DIALYSIS CENTER	42-5043	COLUMBIA	SC	29203
1379	LEXINGTON DIALYSIS CENTER	42-2517	LEXINGTON	SC	29073
1390	GEORGETOWN DIALYSIS CENTE	42-5196	GEORGETOWN	SC	29440
1414	NEWBERRY DIALYSIS CENTER	42-5310	NEWBERRY	SC	29108
1468	UTH COLUMBIA DIALYSIS CENT	42-5436	COLUMBIA	SC	29203
1550	BENNETTSVILLE DIALYSIS CENTE	42-2520	BENNETTSVILLE	SC	29512
1551	FERFIELD COUNTY DIALYSIS C	42-5516	CHESTERFIELD	SC	29709
1552	DARLINGTON DIALYSIS CENTER	42-5301	DARLINGTON	SC	29532
1553	DILLON DIALYSIS CENTER	42-5329	DILLON	SC	29536
1554	EASLEY D.C.	425418	EASLEY	SC	29640
1555	KINGSTREE DIALYSIS CENTER	42-5212	KINGSTREE	SC	29556
1558	MARION DIALYSIS CENTER	42-5454	MARION	SC	29571
1559	NORTHSIDE DC	42-5463	COLUMBIA	SC	29201
1560	ROCK HILL D.C.	425382	ROCK HILL	SC	29732
1675	EST COLUMBIA DIALYSIS CENT	42-5503	WEST COLUMBIA	SC	29169
1771	WER RICHLAND DIALYSIS CENT	42-5841	COLUMBIA	SC	29209
1840	SUMTER DIALYSIS CENTER	42-5105	SUMTER	SC	29150
1841	MANNING DIALYSIS CENTER	42-5374	MANNING	SC	29102
1842	CONWAY DIALYSIS CENTER	42-5427	CONWAY	SC	29526
1843	LORIS DIALYSIS CENTER.	42-5356	LORIS	SC	29569
1938	E MARSHLANDS DIALYSIS CENT	42-5703	RIDGELAND	SC	29936
1975	COLUMBIA ACUTE UNIT	42-5721	COLUMBIA	SC	29203
2073	MEADOWLAKE DIALYSIS CENTE	42-5712	COLUMBIA	SC	29203
2080	JRRELLS INLET DIALYSIS CENT	425712	MURRELLS INLET	SC	29576
2087	FLORENCE DIALYSIS CENTER	42-2505	FLORENCE	SC	29506
2229	LAKE MARION DIALYSIS CENTER	42-5730	SUMMERTON	SC	29148
2264	PEE DEE DIALYSIS CENTER	OPEN, 42-2576	LAKE CITY	SC	29560
2276	TH MYRTLE BEACH DIALYSIS CE	42-5696	RTH MYRTLE BEA	SC	29582
2359	ANDREWS	ERD115	ANDREWS	SC	29510
2383	NORTH AUGUSTA	ERD118	NORTH AUGUSTA	SC	29841
2389	LEE COUNTY DIALYSIS CENTER	42-5669	BISHOPVILLE	SC	29010
2487	FLORENCE HOME DIALYSIS UNIT	42-5749	FLORENCE	SC	29505
2661	HARTSVILLE	422586	HARTSVILLE	SC	29550
2665	IRMO DIALYSIS	PENDING	IRMO	SC	29063
2766	ANDERSON-SC	422506	ANDERSON	SC	29621
2767	OCONEE	425365	SENECA	SC	29678
2790	SIMPSONVILLE	ERD112	SIMPSONVILLE	SC	29681
2866	FAIRFIELD COUNTY	ERD114	WINNSBORO	SC	29180
2934	YORK COUNTY	422589	ROCK HILL	SC	29732
3216	HILTON HEAD	42-5481	LTON HEAD ISLA	SC	29926

PROC		REV		CPT/	
CODE	DESCRIPTION	GL ID	CODE	HCPCS	
PHARMACY					
405201	ENGERIX-B 20 MCG	IM	015	636	90746
405202	ENGERIX-B 40 MCG	IM	015	636	90747

Fresenius Management Services, Inc.
 95 Hayden Ave.
 PH (781) 402-9000
 Lexington, MA 02429



Fresenius Medical Care

DATE 07/26/2006
 CHECK NO. 0003626610

69-158
 681

NET AMOUNT

PAY *****54.84*

NOT VALID AFTER 90 DAYS

PAY
 Fifty four and 84/100 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 27514

Michael Brown

⑈0003626610⑈ ⑆053101561⑆ 2079900011555⑈

VENDOR NO.# 190986

PLEASE DETACH BEFORE DEPOSITING

PAGE 1 OF 1

0003626610

INVOICE#	INVOICE DATE	DESCRIPTION	GROSS AMOUNT	DISCOUNT AMT	NET AMOUNT
1100072006	07/20/2006	1100-ENGERIX-B AUDIT REPAYMENT 2004	54.84	0.00	54.84
TOTALS			\$54.84		\$54.84