

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Singh</i>	DATE 2-11-2011
--------------------	-----------------------

DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER 100350	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____		
2. DATE SIGNED BY DIRECTOR C: Keck Hess Claude 2/18/11, better attached.	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE 2-22-2011 <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.			

505 Belle Hall Parkway, Suite 201
Mt. Pleasant, SC 29464

February 4, 2011

RECEIVED

FEB 09 2011

843.577.0076
1.866.849.4401
843.654.7676 fax

www.sourcenet-usa.com

Department of Health & Human Services
OFFICE OF THE DIRECTOR

HRMA
Healthcare
Reimbursement
Management
Association

Ms. Angela Brice-Smith, MPA, RN
Director, Medicaid Integrity Group
Centers for Medicare & Medicaid Services

7500 Security Blvd., B2-15-24

Baltimore, MD 21244

Dear Ms. Brice-Smith:

I would like to bring an issue to your attention that I have been working on for over a year. I first must apologize for the length of this letter, but I have notified numerous agencies without any success, although all the agencies tell me that the issue we are facing in South Carolina may be considered fraud and abuse. Since it is linked to South Carolina Medicaid, then I feel you should be aware of the issue and I am requesting your help to resolve the problem(s). Below is an outline of the problems and what actions I have taken so far.

Brief history of problem:

#1) On April 1, 2010 SC DHHS began to outsource Optometric Medicaid claims processing to Managed Care Organizations (MCO's). Initially, there were about six MCO's and there are now four. Prior to this outsourcing, Optometric services were excluded from Managed Care and were reimbursed fee for service by Medicaid of South Carolina. Providers were notified prior to the April 1st date and began enrolling with the MCO's as applicable to their practice. All carriers (and their sub contractors) have been responsive to the credentialing and promptly enrolled providers with the exception of one plan, Select Health First Choice (SHFC). Their sub contractor, Vision Care Group (VCG), has had problems from day one. There are still providers that have not been enrolled and it has been over a year. SHFC tells us that VCG is responsible for this task while VCG tells us that SHFC is responsible for this task. Providers are unable to provide services to new and established patients because they are unable to get enrolled.

#2) SHFC states that all claims must go to VCG for claims processing. By doing this, we must send **paper** claims to VCG because they do not have an electronic payor ID number. This increases the cost of

claims processing for all parties, provides an administrative burden to the physician and is not in compliance with HIPAA standards.

#3) VCG mandates that the following changes must be made to the CMS-1500 claim form when submitted to VCG for processing:

- Block #25 must be changed to reflect VCG's tax ID number, not the provider's number
- Block #33 must be changed to reflect VCG's name and address as the "biling" provider
- Block #33a must show VCG's NPI as the billing provider NPI

I have made it clear to VCG that my organization will not manipulate provider claims in this manner as it is not compliant. On the back page of the CMS-1500 form it clearly states this would be a criminal act. VCG has advised me this is how it has been done for nineteen years and this is the only way for VCG to receive their reimbursement from SHFC. VCG is making changes to the claims by placing stickers over actual provider information. I have examples of these altered claims.

#4) VCG mandates that the Optometry Dispensing service, CPT code 92340, be changed and the providers use a HCPCS V code (frames) to indicate dispensing. Once again, my providers and I agree that they are not providing glasses but are only dispensing a prescription for glasses. Therefore using any other code would be fraud and non-compliant. We are now being notified by VCG that if we do not comply, our claims will be denied and delayed and VCG will enforce the VCG Recovery Policy as stated in their Provider Manual. (See attached example.)

An additional issue that complicates number four is that I believe VCG is submitting provider claims with the V code at whatever charge is indicated, receiving full reimbursement and then paying the providers \$28.00 for dispensing services. VCG is falsifying information to SHFC as to the services rendered by providers. VCG has contracted with the providers to receive \$28.00 for dispensing and they agreed to this dollar amount. That is not the issue. The issue is that I believe VCG is being paid the full fee (regardless of the amount since it is being billed as "frames") and therefore mis-leading SHFC at the cost of the provider. The remittance that comes back from VCG is actually a SHFC remittance and the "dispensing" reimbursement amount is marked out and replaced with the \$28.00 contracted fee/rate. (See attached example.)

Below I will outline my attempts to notify and correct this problem to no avail.

- Emails between Kirk Peterson, President of VCG and myself from November 30, 2009 to current regarding credentialing and manipulation of claims. VCG has made it clear that they will no longer speak to me on this issue.
- Email and conversation with William D. Rogers, CMS/OEA, on April 1, 2010 regarding issue and asking assistance. Advised to notify the fraud hotline which was done on April 1, 2010 with no response.
- Email to Kirk Peterson on April 5, 2010 again requesting that these issues be addressed. (Note: this is happening with Carolina Care Plan claims as well and is included in said email.)

- Letter to all Sourcenet (my company) Optometry clients on April 26, 2010 regarding our stance with this claims processing issue.
- Called and spoke to Compliance department of SHFC; informed that “legal” stated this was an issue between the providers and VCG; not a SHFC issue.
- Email from Andrew A. Funtal, OIG/OAS, on April 28, 2010 indicating that I should direct these issues to the Medicaid Fraud and Abuse Unit. This was in response to a phone call I placed a few days prior.
- Email and voicemail to Bruce Harbaugh with SCDHHS Managed Care Department requesting assistance. I believe this was in mid May of 2010. I also called the Medicaid fraud and abuse line, left a message but received no response.
- Visit from D. Brian Dimler, Special Agent with OIG mid June 2010 to discuss issue.
- Sent all documentation to D. Brian Dimler, Special Agent, on June 23, 2010 via certified mail. Response was that this was not an issue they could help me with.
- Sent certified letter to Ms. Peggy Vickery, SHFC, on June 25, 2010 regarding continued problems with credentialing, reimbursement, etc.
- Continued phone calls and emails to SHFC and VCG regarding credentialing, coding and reimbursement issues over the summer months. Claims reimbursement was delayed and VCG was issuing “advance” checks to providers.
- Phone call to Mike Jernigan, CEO of SHFC on December 6, 2010; left voicemail
- Phone call to Mike Jernigan, CEO of SHFC on December 21, 2010; left voicemail.
- Email to SCDHHS Fraud Research department on December 21, 2010.
- Email to Dr. Phillip Flynn of SCOPA on December 28, 2010.
- Email to Dr. Phillip Flynn of SCOPA on January 13, 2011.
- Call to Faye Scott, Attorney with SC Attorney General’s Office on January 19, 2011; stated I should report this to the SCDHHS Program Integrity Division. I informed Ms. Scott that I had previously reported the issue via voicemail and email as directed by the website.

Effective February 1, 2011, SCDHHS began to transition another 150,000 members to these MCO’s and SHFC is one of the largest in the state. This means we must continue to work with VCG.

At this time I am requesting the following actions:

- 1) Have VCG investigated for fraud and abuse as associated with claims processing/third party administrator responsibilities
- 2) Have all Optometry provider contracts terminated with VCG and absorbed by SHFC
- 3) Allow Optometry claims to be processed direct to SHFC
- 4) Provide the same reimbursement for both routine and medical services to these providers under the VCG agreement until otherwise negotiated.

As you can see by the details outlined in this letter, this is a significant issue that is a clear misrepresentation of the services provided by the physician versus the information submitted by VCG on the claims. I would like to request a meeting in person with someone to discuss this issue in more detail

and to review the documentation presented in this letter. Your prompt attention and guidance on this matter is greatly appreciated. Please call me on my direct line at 843-654-7661.

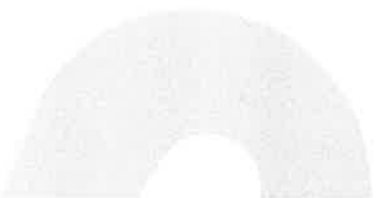
Thank you,



Emily M. Osetek, CHBME
President

CC: Anthony E. Keck, Director, SCDHHS

NOTE: Sourcenet understands that example documents contain PHI but felt that they must be submitted as is in order to provide full reporting of issues above. Sourcenet and their clients are covered under Business Associate Agreements and have active Trading Partner Agreements in place with SCDHHS and CMS to ensure compliance. We would appreciate the utmost confidentiality with respect to this reporting of non compliant behavior.



Example of claim manipulation by VCC

(1500)

VISION CARE GROUP - FCSH
PO BOX 771
IRMO SC 29063



1

LANDSON SHANIAH	X	038706567
1362 MEADRINE ST	12 17 1999	X SAME
ORANGEBURG	X	
29115	803 6343834	X

X	VISION CARE GROUP - FCSH
X	
X	

SIGNATURE ON FILE

05/04/2010

SIGNATURE ON FILE

SPLITTLER OD SHANE

1528040243

X

367 31

04 27 10	11	92004	1	104 00	1	ZZ 152W000000X
04 27 10	11	92015	1	30 00	1	ZZ 1528040243
						152W000000X
						1528040243

25. FEDERAL TAX ID NUMBER
671042897

SSN ☐ EIN ☒

003104004128 X

134 00

134 00

H. RUBIN VISION CENTER
1530 CHESTNUT STREET
ORANGEBURG SC 29115-3426
SHANE SPLITTLER OD
05 04 2010
1568726905

39. BILLING PROVIDER INFO & PAY (888) 579-2273
VISION CARE GROUP, INC.
PO BOX 771
IRMO, SC 29063
a. 1083831770 b.

1014811873

Important Notice - Important Notice - Important Notice

Select Health of South Carolina Inc (SHFC) FirstChoice claims for medicals, dental, vision, IDFI codes V2010, V2025, V2200 & V2300 require these codes be used, not 92300 for reimbursement purposes. Use of correct HCPCS code for orthotics product benefit is also required. Refer to your Provider Manual for complete instructions and/or call the VCO office.

A Case ID (authorization) is required for these services.

The date of service on the claim must be the same as the Case ID date.

Participating optical providers must file these claims correctly the first time as too many claims are being denied for this error with provider and VCO not being reimbursed. This also results in payment of other claims to be delayed. VCO will begin enforcing the VCO Recovery Policy stated in the Provider Manual if this continues to occur by individual providers or as a group.

Thank you for your cooperation. Kirk Peterson, President, VCO

Notice being sent to providers and Sourcecast

Select Health

P.O. Box 40849
Charleston, SC 29423-0849
Return Service Requested

Received from
EOD VCB

VCC (BENEFIT EYE CARE)
PO BOX 772
Aiken, SC 29013-0772

For further inquiries on this remittance advice
contact: Select Health of South Carolina
Airport Business Center
200 Stevens Drive
Philadelphia, PA 19113
or call 1 (800) 575-0418

Payee ID: 30075466
Tax ID: 571042897
NPI #:

Check No: 0000541477
Check Ref. ID: 2010111510700117

Date: 11/15/2010

Remittance Advice

Provider ID: 30075466				Patient ID: 0024700337			
Provider Name: Select Health				Patient Name: JAMES J. JAMES			
Date of Service	Proc/Rev	Mod	Description	Qty	Charged Amount	Allowed Amount	OIG
10/22/10-10/22/10	92004		Opt. refractological services:	001	100.00	100.00	0.00
10/22/10-10/22/10	92005		Determination of refractive	001	30.00	25.41	0.00
10/22/10-10/22/10	92340		Fitting of spectacles, once	001	12.00	0.00	0.00
Claim Total					162.00	125.41	0.00

WAC V Code
205HEC
20749400

Provider ID: 30075466				Patient ID: 0024700332			
Provider Name: Select Health				Patient Name: JAMES J. JAMES			
Date of Service	Proc/Rev	Mod	Description	Qty	Charged Amount	Allowed Amount	OIG
10/30/10-10/30/10	92004	25	Opt. refractological services:	001	100.00	100.00	0.00
10/30/10-10/30/10	92083		Visual field examination, II	001	90.00	57.65	0.00
10/30/10-10/30/10	92115		Determination of refractive	001	30.00	25.41	0.00
10/30/10-10/30/10	V2020		Frames, purchases	001	30.00	0.00	0.00
Claim Total					250.00	183.06	0.00

Provider ID: 30075466				Patient ID: 0024700330			
Provider Name: Select Health				Patient Name: JAMES J. JAMES			
Date of Service	Proc/Rev	Mod	Description	Qty	Charged Amount	Allowed Amount	OIG
10/23/10-10/23/10	V2020		Frames, purchases	001	30.00	0.00	0.00
Claim Total					30.00	0.00	0.00

Provider ID: 30075466				Patient ID: 0024700329			
Provider Name: Select Health				Patient Name: JAMES J. JAMES			
Date of Service	Proc/Rev	Mod	Description	Qty	Charged Amount	Allowed Amount	OIG
10/23/10-10/23/10	92004	25	Opt. refractological services:	001	100.00	100.00	0.00
10/23/10-10/23/10	92083		Visual field examination, II	001	90.00	57.65	0.00
10/23/10-10/23/10	92015		Determination of refractive	001	30.00	25.41	0.00

Select Health
A Member of
The Carolina Health System

P.O. Box 40849
Charleston, SC 29423-0849

*REC'D
JLC
EOB*

For further inquiries on this remittance advice,
contact Select Health of South Carolina
Airport Business Center
200 Stevens Drive
Philadelphia, PA 19113
or call 1 (800) 575-0418



60 OF 348 F

Payee ID: 30075466
Tax ID: 571042897
NPI #:

Check No: 10000541477

Check Ref. ID: 201011510700117

Date: 11/15/2010

Remittance Advice 3

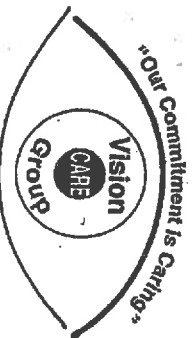
Date of Service	Proc/Rev	Mod	Description	Qty	Charged Amount	Allowed Amount	OIG	Coins	COR	Amount Paid	Adj Den
10/22/10-10/22/10	92014		Ophthalmological services:	001	95.00	84.08	0.00	0.00	0.00	84.08	045
10/22/10-10/22/10	92015		Determination of refractive	001	30.00	25.41	0.00	0.00	0.00	25.41	045
10/22/10-10/22/10	92340		Fitting of spectacles, excl	001	32.00	0.00	0.00	0.00	0.00	0.00	050
Claim Total					157.00	109.49	0.00	0.00	0.00	109.49	

Provider ID: 30075466 NPI # 1588760995 Member ID: 40036754 Patient ID: 002451003343											
Provider Name: Perkins, Kelley L Member Name: SIMMONS, BRENDA											
Date of Service	Proc/Rev	Mod	Description	Qty	Charged Amount	Allowed Amount	OIG	Coins	COR	Amount Paid	Adj Den
10/28/10-10/28/10	92004		Ophthalmological services:	001	100.00	100.00	0.00	0.00	0.00	100.00	045
10/28/10-10/28/10	92015		Determination of refractive	001	30.00	25.41	0.00	0.00	0.00	25.41	045
10/28/10-10/28/10	V2020		Frames purchases	001	30.00	0.00	0.00	0.00	0.00	0.00	064
Claim Total					160.00	125.41	0.00	0.00	0.00	125.41	

check date correct

Provider ID: 30075466 NPI # 1588760995 Member ID: 40036754 Patient ID: 002451003343											
Provider Name: Perkins, Kelley L Member Name: WINKLE, BRENDA											
Date of Service	Proc/Rev	Mod	Description	Qty	Charged Amount	Allowed Amount	OIG	Coins	COR	Amount Paid	Adj Den
10/30/10-10/30/10	92004	25	Ophthalmological services:	001	100.00	100.00	0.00	0.00	0.00	100.00	045
10/30/10-10/30/10	92004		Virtual field examination, u	001	90.00	57.65	0.00	0.00	0.00	57.65	045
10/30/10-10/30/10	92015		Determination of refractive	001	30.00	25.41	0.00	0.00	0.00	25.41	045
10/30/10-10/30/10	V2020		Frames purchases	001	30.00	0.00	0.00	0.00	0.00	0.00	064
Claim Total					250.00	183.06	0.00	0.00	0.00	183.06	

Provider ID: 30075466 NPI # 1588760995 Member ID: 40036754 Patient ID: 002451003343											
Provider Name: Perkins, Kelley L Member Name: WINKLE, BRENDA											
Date of Service	Proc/Rev	Mod	Description	Qty	Charged Amount	Allowed Amount	OIG	Coins	COR	Amount Paid	Adj Den
10/28/10-10/28/10	99203		Office or other outpatient	001	90.00	74.28	0.00	0.00	0.00	74.28	045
Claim Total					90.00	74.28	0.00	0.00	0.00	74.28	



P.O. Box 771 • Irmo, SC 29063

Local: 803.749.3930
Toll Free: 1.888.578.2273 [CARE]
Fax: 803.749.3944

BERNARD ARNOLD OD
d.b.a. BERNARD ARNOLD OD
671 CEDAR POINT DRIVE
CHARLESTON SC 29412

Example of "Advance" check

Select Health of South Carolina
FirstChoice Adult, FirstChoice Medicaid Child, FirstChoice Kids Remittance Advice [RA];
Administered by: Vision Care Group Inc [VCGsc]

Date: 11-4-2010 Amount Paid: 2000.00 VCGsc Check #: 10235
VCG Remittance Advice # [RA]: 091 Number of RA Pages: Advance 09/11-2010 claims
VCG Remittance Location: 45070 Provider TIN: 570539206

VCG Claim "Cheatsheet" [primary reasons for denied /incorrectly processed claims]:

Check eligibility [Remember to reference VCG'S TIN 571042897] / Use correct ID #;

Note: SC Healthy Connections Kids are identified as Payment Category 99 on the SCDHHS website, including their respective Medicaid Managed Care Organization [MCO];

FirstChoice Kids claims are filed with FirstChoice, not Medicaid FFS;

Note: SC Healthy Connections Kids are identified as Payment Category 99 on the SCDHHS website, including their respective Medicaid Managed Care Organization [MCO];

Obtain Case ID [a.k.a. Authorization Number] for eyewear and/or other required services;

Use date of Case ID as date of service [DOS] when submitting claim for dispensing fee;

DOS cannot be prior to Case ID Date [retroactive];

Incorrect CPT, HCPCS and/or diagnosis codes;

Failure to indicate Case ID [field 23];

Failure to indicate place of service [field 24b];

Failure to indicate units [field 24g];

Missing or incorrect rendering provider NPI [field 24j];

Incomplete claim or other information missing / incorrect;

Failure to use 571042897 [field 25];

Failure to use Vision Care Group Inc [field 33]

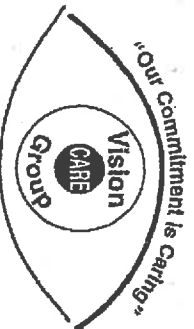
PO Box 771 [field 33]

Irmo SC 29063 [field 33]

1083831770 [field 33a]

Failure to review the Medicaid and/or Medicaid Managed Care [MCO] ID card and/or confirm eligibility and/or benefits places the provider at risk of providing unauthorized services, or services to an ineligible individual, resulting in possible non-payment. The enrollee is not responsible for any Medicaid/MCO covered services, except as may be specified under their Certificate of Coverage. You are entitled to appeal any denial. The appeal must be submitted in writing by you or your authorized representative within 180 days from original denial notification or date of service if not authorized. The appeal may identify additional information you would like to have considered. You will receive notification of the final determination within 30 calendar days following receipt of your request.

Appeal address: Select Health of South Carolina PO Box 40849 Charleston SC 29423
[SHFCREIMBURSEMENT]



P.O. Box 771 • Irmo, SC 29063

Local: 803.749.3930
Toll Free: 1.888.579.2273 [CARE]
Fax: 803.749.3944

*Example of how reconciliation
is performed when clm are
finally processed.*

BERNARD ARNOLD OD
d.b.a. BERNARD ARNOLD OD
671 CEDAR POINT DRIVE
CHARLESTON SC 29412

Select Health of South Carolina - FirstChoice Medicaid Managed Care Remittance Advice [RA];
Administered by: Vision Care Group Inc [VCG]

Date: 11-23-2010 Amount Paid: 2887.16 VCG Check #: 10540
VCG Remittance Advice # [RA]: 095 Number of RA Pages: 5 Advance 2000.00 (1-4-10)
VCG Remittance Location: 45070 Provider TIN: 570539206 Due 2887.16
Balance 887.16

VCG Claim "Cheatsheet" [Primary reasons for denied / Incorrectly processed claims]:

Eligibility: Check eligibility; use the DHHS website and Medicaid ID #;
MCO vs F-F-S: Check for enrollment in a MCO and, if applicable, follow MCO instructions;
Case ID: Obtain Case ID [a.k.a. Authorization #] for eyewear and/or other required services;
Incorrect TIN: Reference VCG's TIN 571042897 when obtaining Case ID;
Eyewear DOS: Use date of Case ID as DOS when submitting claim for dispensing fee;
24 Hour Rule: DOS cannot be prior to Case ID Date [retroactive]; Must be within 24 hours of DOS;
Codes: Incorrect CPT, HCPCS and/or diagnosis codes;
Field 23: Failure to indicate Case ID;
Field 24b: Failure to indicate place of service;
Field 24g: Failure to indicate # of units;
Field 24j: Missing or incorrect rendering provider NPI;
Other: Incomplete claim or other information missing / incorrect;
Field 25: Failure to use VCG TIN 571042897;
Field 33: Failure to use Vision Care Group Inc
PO Box 771
Irmo SC 29063
Field 33a: Failure to use 1083831770

Review Adj/Den "codes" on Remittance Advise for claims not paid or adjusted, then see reason[s]
under Messages. If necessary, call SHFC claims processing @ 1.800.575.0418.
If question or problem cannot be resolved, call VCG @ [803] 749.3930 or 1.888.579.2273

Failure to review the Medicaid and/or Medicaid Managed Care [MCO] ID card and/or confirm eligibility and/or
benefits places the provider at risk of providing unauthorized services, or services to an ineligible individual,
resulting in possible non-payment. The enrollee is not responsible for any Medicaid/MCO covered services,
except as may be specified under their Certificate of Coverage. You are entitled to appeal any denial. The
appeal must be submitted in writing by you or your authorized representative within 180 days from original
denial notification or date of service if not authorized. The appeal may identify additional information you would
like to have considered. You will receive notification of the final determination within 30 calendar days following
receipt of your request.

Appeal address: Select Health of South Carolina PO Box 40849 Charleston SC 29423

[SHFC EOB Cover Page 10012010]



P.O. Box 40849
Charleston, SC 29423-0849

Return Service Requested

VC6 (Hodges Optical)
VC6 (HODGES OPTICAL)
PO BOX 771
IRM0, SC 29053-0771

Example where Optical shop charges
on Arnold's card

Provider chgs (Arnold) showing up
as another provider!

Remittance Advice

3

Provider ID: 20088008		NPI #: 123555292		Member ID: 40836996		Patient ID: 00236003480					
Provider Name: Arnold, Bernard		Member Name: AMERSON, N. MORGAN		Claim ID: 103018339800							
Date of Service	Proc/Rev DRG Code	Mod	Description	Qty	Charged Amount	Allowed Amount	OIC	Coins	COB	Amount Paid	Adj/ Den
10/12/10-10/12/10	92004		Ophthalmological services:	001	130.00	103.09	0.00	0.00	0.00	103.09	045
10/12/10-10/12/10	92015		Determination of refractive	001	38.00	25.41	0.00	0.00	0.00	25.41	045
Claim Total					168.00	128.50	0.00	0.00	0.00	128.50	

Provider ID: 20088008		NPI #: 123555292		Member ID: 408058571		Patient ID: 0000940005460					
Provider Name: Arnold, Bernard		Member Name: GAIN, W. BARBARA		Claim ID: 103018336800							
Date of Service	Proc/Rev DRG Code	Mod	Description	Qty	Charged Amount	Allowed Amount	OIC	Coins	COB	Amount Paid	Adj/ Den
10/04/10-10/04/10	92012		Ophthalmological services:	001	79.00	57.47	0.00	0.00	0.00	57.47	045
Claim Total					79.00	57.47	0.00	0.00	0.00	57.47	

Provider ID: 20088008		NPI #: 123555292		Member ID: 405949925		Patient ID: 0023678003454					
Provider Name: Arnold, Bernard		Member Name: DILLINGHAM, A. ELIZABETH		Claim ID: 103018336500							
Date of Service	Proc/Rev DRG Code	Mod	Description	Qty	Charged Amount	Allowed Amount	OIC	Coins	COB	Amount Paid	Adj/ Den
10/02/10-10/02/10				001	130.00	0.00	0.00	0.00	0.00	0.00	228
10/02/10-10/02/10	92004		Ophthalmological services:	001	38.00	38.00	0.00	0.00	0.00	38.00	
Claim Total					168.00	38.00	0.00	0.00	0.00	38.00	

Provider ID: 20088008		NPI: 123555292		Member ID: 40836996		Patient ID: 10300559280					
Provider Name: Arnold, Bernard		Member Name: DILLINGHAM, A. MICHAEL		Claim ID: 10300559280							
Date of Service	Proc/Rev DRG Code	Mod	Description	Qty	Charged Amount	Allowed Amount	OIC	Coins	COB	Amount Paid	Adj/ Den
10/22/10-10/22/10	V2020		Frames, purchases	001	28.00	0.00	0.00	0.00	0.00	0.00	X01
Claim Total					28.00	0.00	0.00	0.00	0.00	0.00	

Provider ID: 20088008		NPI #:123555292		Member ID: 40880799		Patient ID: 00236003500					
Provider Name: Arnold, Bernard		Member Name: FURRY,ANGLER, T. NICHOLAS		Claim ID: 103018329200							
Date of Service	Proc/Rev DRG Code	Mod	Description	Qty	Charged Amount	Allowed Amount	OIC	Coins	COB	Amount Paid	Adj/ Den



Log # 350

February 18, 2011

Emily M. Osetek, CHBME
President, SourceNet
505 Belle Hall Parkway, Suite 201
Mr. Pleasant, South Carolina 29464

Dear Ms. Osetek:

As a follow-up to our telephone conversation last Friday (February 11, 2011), please be assured that the South Carolina Department of Health and Human Services is investigating your complaint regarding Select Health and Vision Care Group. Select Health is a Medicaid Managed Care Organization under contract with SCDHHS. We are reviewing all our contractual documentation with Select Health and will ensure that any subcontracts used by Select Health have been approved by this agency. In addition, we are reviewing encounter claims for the vision services and will determine whether these claims have been paid correctly and in accordance with all applicable Federal and State Medicaid requirements. As I mentioned, I may be calling you for more information in the future.

I will let you know the results of our review as soon as it is concluded. Please do not hesitate to call me at (803) 898-1050 if you have any further concerns. Thank you for your support of the Medicaid program!

Sincerely,

Kathleen C. Snider

Kathleen C. Snider, Bureau Chief
Compliance and Performance Review

KCS/m

cc: Anthony E. Keck, Director, SC Department of Health and
Roy Hess, Director, SCDHHS Division of Care Managem
Angela Brice-Smith, Director, Medicaid Integrity Group

This letter class
Log 0350.
Marie Brown has the
original blue sheet,
any questions or
concerns, call me
@ 8-8881 Cynthia Meyers

2/18/11



South Carolina Department of
Health & Human Services

Anthony E. Keck • Director
Nikki R. Haley • Governor

808-# 000350

February 18, 2011

Emily M. Osetek, CHBME
President, SourceNet
505 Belle Hall Parkway, Suite 201
Mr. Pleasant, South Carolina 29464

Dear Ms. Osetek:

As a follow-up to our telephone conversation last Friday (February 11, 2011), please be assured that the South Carolina Department of Health and Human Services is investigating your complaint regarding Select Health and Vision Care Group. Select Health is a Medicaid Managed Care Organization under contract with SCDHHS. We are reviewing all our contractual documentation with Select Health and will ensure that any subcontracts used by Select Health have been approved by this agency. In addition, we are reviewing encounter claims for the vision services and will determine whether these claims have been paid correctly and in accordance with all applicable Federal and State Medicaid requirements. As I mentioned, I may be calling you for more information in the future.

I will let you know the results of our review as soon as it is concluded. Please do not hesitate to call me at (803) 898-1050 if you have any further concerns. Thank you for your support of the Medicaid program!

Sincerely,

Kathleen C. Snider

Kathleen C. Snider, Bureau Chief
Compliance and Performance Review

KCS/m

cc: Anthony E. Keck, Director, SC Department of Health and Human Services
Roy Hess, Director, SCDHHS Division of Care Management
Angela Brice-Smith, Director, Medicaid Integrity Group