

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

ACTION REFERRAL

TO <i>Wells</i>	DATE <i>7-23-07</i>
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DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER 000041		<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____	
2. DATE SIGNED BY DIRECTOR <i>*Check # 000000651 in the amount of \$5.39. Original given to Sage</i>		<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____ <input type="checkbox"/> FOIA DATE DUE _____ <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

RECEIVED

JUL 23 2007

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Certified Mail
Return Receipt Requested

July 12, 2007

MEDICAID OF SOUTH CAROLINA
Mr. Bill Prince, Medicaid Director
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 an internal audit pertaining to billings during the timeframe of January to December 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:

Follow Up Audit of Engerix-B – 2005 Data

Background:

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). Initially, staff members were instructed to enter Engerix-B into the system as 1 unit of 40 mcg, regardless of the way that 40 mcg was administered. If the facility entered separate injections, it was possible that our billing system considered each injection to be a separately billable administration, resulting in an overpayment. Our observation was initially reported to the Office of Inspector General on July 19, 2001.

Purpose:

To review all 2005 claims where more than 40 mcg of Engerix-B was billed on the same date of service in order to determine if over-billing errors occurred. Additionally, to review all 2005 claims where 20 mcg of Engerix-B was billed on any date of service in order to determine if under-billing errors occurred.

Fresenius Medical Care North America

Corporate Headquarters:

920 Winter Street

Waltham, MA 02451

(781) 699-9000

MEDICAID OF SOUTH CAROLINA
July 12, 2007
Page 2

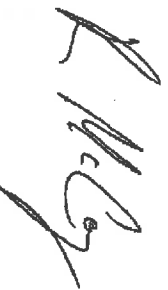
We calculated an overpayment amount due to your program based on the prevalence of claims paid on behalf of your plan members during 2005. A list of applicable billing codes related to the services provided is enclosed as Attachment B.

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.

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 \$5.39, to cover estimated overpayments for services furnished to members of your program.

Should you have any specific questions you may contact me at the number below.

Sincerely,

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

Ryan McCoy, CHC
Manager, Compliance Operations

Enc.

cc: Kathie Deady

Fresenius Medical Care North America

Corporate Headquarters: 920 Winter Street Waltham, MA 02451 (781) 699-9000

PROC CODE	DESCRIPTION	GL ID	REV CODE	CPT/ HCPCS
405200	ENGERIX-B IM	015	636	
405201	ENGERIX-B 20 MCG	015	636	90746
405202	ENGERIX-B 40 MCG	015	636	90747

Facility #	Facility Name	MEDICAID #	CITY	STATE	ZIP
1249	CHESTER	42-5187 - SC	CHESTER	SC	29706
1264	CAMDEN DIALYSIS CENTER	42-2682 - SC	CAMDEN	SC	29706
1265	BEAUFORT/LOW COUNTRY DIALYSIS FACILITY	42-5141 - SC	PORT ROYAL	SC	29935
1279	GREENVILLE	42-5034 - SC	GREENVILLE	SC	29605
1284	COLUMBIA DIALYSIS CENTER	42-5043 - SC	COLUMBIA	SC	29203
1378	LEXINGTON DIALYSIS CENTER	42-2617 - SC	LEXINGTON	SC	29203
1390	GEORGETOWN DIALYSIS CENTER	42-5196 - SC	GEORGETOWN	SC	29440
1414	NEWBERRY DIALYSIS CENTER	42-5310 - SC	NEWBERRY	SC	29108
1468	SOUTH COLUMBIA DIALYSIS CENTER	42-5436 - SC	COLUMBIA	SC	29203
1560	BENNETTSTOWN DIALYSIS CENTER	42-2520 - SC	BENNETTSTOWN	SC	29612
1561	CHESTERFIELD COUNTY DIALYSIS CENTER	42-5516 - SC	CHESTERFIELD	SC	29709
1562	DARLINGTON DIALYSIS CENTER	42-5301 - SC	DARLINGTON	SC	29532
1563	DILLON DIALYSIS CENTER	42-5329 - SC	DILLON	SC	29536
1564	EASLEY D.C.	42-5418 - SC	EASLEY	SC	29640
1565	KINGSTREE DIALYSIS CENTER	42-5212 - SC	KINGSTREE	SC	29656
1568	MARION DIALYSIS CENTER	42-5454 - SC	MARION	SC	29671
1569	NORTHSIDE DC	42-5463 - SC	COLUMBIA	SC	29201
1580	FORT MILL	42-5382 - SC	FORT MILL	SC	29715
1675	WEST COLUMBIA DIALYSIS CENTER	42-5503 - SC	WEST COLUMBIA	SC	29169
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	42-5421 - SC	CONWAY	SC	29626
1843	LORIS DIALYSIS CENTER	42-5356 - SC	LORIS	SC	29669
1938	THE MARSHLANDS DIALYSIS CENTER	42-5703 - SC	RIDGELAND	SC	29936
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
2284	PEE DEE DIALYSIS CENTER	42-2576 - SC	LAKE CITY	SC	29680
2276	NORTH MYRTLE BEACH DIALYSIS CENTER	42-5686 - SC	NORTH MYRTLE BEACH	SC	29682
2369	ANDREWS	ERD116 - SC	ANDREWS	SC	29610
2383	NORTH AUGUSTA	ERD118 - SC	NORTH AUGUSTA	SC	29841
2389	LEE COUNTY DIALYSIS CENTER	42-6688 - SC	BISHOPVILLE	SC	29010
2487	FREEDOM	42-5749 - SC	FLORENCE	SC	29605
2661	HARTSVILLE	42-2686 - SC	HARTSVILLE	SC	29650
2665	IRMO DIALYSIS	ERD117 - SC	IRMO	SC	29621
2766	ANDERSON-SC	42-2506 - SC	ANDERSON	SC	29063
2767	OCONEE	42-5365 - SC	SENECA	SC	29678
2790	SIMPSONVILLE	ERD112 - SC	SIMPSONVILLE	SC	29681
2866	FAIRFIELD COUNTY	ERD114 - SC	WINNSBORO	SC	29180
2834	YORK COUNTY	42-2689 - SC	ROCK HILL	SC	29732
3216	HILTON HEAD	42-5481 - SC	HILTON HEAD ISLAND	SC	29926
3991	PENDLETON DIALYSIS	ERD145 - SC	PENDLETON	SC	29670
4058	BATESBURG-LEESVILLE	ERD161 - SC	LEESVILLE	SC	29070

Fresenius Management Services, Inc.
920 Winter St.
(800) 692-1227
Waltham, MA 02451-1457

Fresenius Medical Care

DATE 06/09/2007
CHECK NO. 0004000651

06-159
531

NET AMOUNT

PAY *****5.39*

NET VALID AFTER 90 DAYS

PAY
Five and 39/100 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

⑆0004000651⑆ ⑆053101551⑆ 207990001155⑆

VENDOR NO. # 190986

PLEASE DETACH BEFORE DEPOSITING

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0004000651

INVOICE#	INVOICE DATE	DESCRIPTION	GROSS AMOUNT	DISCOUNT AMT	NET AMOUNT
1100042507	04/25/2007	1100-ENGERX B FOLLOW UP AUDIT - 20	5.39	0.00	5.39
TOTALS			\$5.39		\$5.39