

**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 1. LOG NUMBER 000041 2. DATE SIGNED BY DIRECTOR <i>* Check # 0000000051 in the amount of \$5.39. Original given to Sage</i>	ACTION REQUESTED <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 _____ <input checked="" type="checkbox"/> Necessary Action
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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,



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
1254	CAMDEN DIALYSIS CENTER	42-2582 - SC	CAMDEN	SC	29720
1255	BEAUFORT/LOW COUNTRY DIALYSIS FACILITY	42-5141 - SC	PORT ROYAL	SC	29935
1279	GREENVILLE	425034 - SC	GREENVILLE	SC	29605
1294	COLUMBIA DIALYSIS CENTER	42-5043 - SC	COLUMBIA	SC	29203
1378	LEXINGTON DIALYSIS CENTER	42-2517 - SC	LEXINGTON	SC	29207
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
1550	BENNETTSVILLE DIALYSIS CENTER	42-2520 - SC	BENNETTSVILLE	SC	29512
1551	CHESTERFIELD COUNTY DIALYSIS CENTER	42-5516 - SC	CHESTERFIELD	SC	29709
1552	DARLINGTON DIALYSIS CENTER	42-5301 - SC	DARLINGTON	SC	29532
1553	DILLON DIALYSIS CENTER	42-5329 - SC	DILLON	SC	29536
1554	EASLEY D.C.	425418 - SC	EASLEY	SC	29940
1555	KINGSTREE DIALYSIS CENTER	42-5212 - SC	KINGSTREE	SC	29556
1558	MARION DIALYSIS CENTER	42-5454 - SC	MARION	SC	29571
1559	NORTHSIDE DC	42-5463 - SC	COLUMBIA	SC	29201
1560	FORT MILL	425382 - SC	FORT MILL	SC	29715
1675	WEST COLUMBIA DIALYSIS CENTER	42-5503 - SC	WEST COLUMBIA	SC	29715
1771	LOWER RICHLAND DIALYSIS CENTER	42-5841 - SC	COLUMBIA	SC	29716
1840	SUMTER DIALYSIS CENTER	42-5105 - SC	SUMTER	SC	29209
1841	MANNING DIALYSIS CENTER	42-5374 - SC	MANNING	SC	29150
1842	CONWAY DIALYSIS CENTER	42-5427 - SC	CONWAY	SC	29102
1843	LORIS DIALYSIS CENTER	42-5356 - SC	LORIS	SC	29526
1938	THE MARSHLANDS DIALYSIS CENTER	42-5703 - SC	RIDGELAND	SC	29669
1975	COLUMBIA ACUTE UNIT	NA - SC	COLUMBIA	SC	29936
2073	MEADOWLAKE DIALYSIS CENTER	42-5721 - SC	COLUMBIA	SC	29203
2080	MURRELLS INLET DIALYSIS CENTER	42-5712 - SC	MURRELLS INLET	SC	29203
2087	FLORENCE DIALYSIS CENTER	42-2505 - SC	FLORENCE	SC	29576
2229	LAKE MARION DIALYSIS CENTER	42-5730 - SC	SUMMERTON	SC	29506
2284	PEE DEE DIALYSIS CENTER	42-2576 - SC	LAKE CITY	SC	29148
2276	NORTH MYRTLE BEACH DIALYSIS CENTER	42-5696 - SC	NORTH MYRTLE BEACH	SC	29560
2359	ANDREWS	ERD115 - SC	ANDREWS	SC	29582
2383	NORTH AUGUSTA	ERD118 - SC	NORTH AUGUSTA	SC	29510
2389	LEE COUNTY DIALYSIS CENTER	42-5688 - SC	BISHOPVILLE	SC	29841
2487	FREEDOM	42-5749 - SC	FLORENCE	SC	29010
2661	HARTSVILLE	422586 - SC	HARTSVILLE	SC	29505
2665	IRMO DIALYSIS	ERD117 - SC	IRMO	SC	29550
2766	ANDERSON-SC	422506 - SC	ANDERSON	SC	29621
2767	OCONEE	425365 - SC	SENECA	SC	29063
2790	SIMPSONVILLE	ERD112 - SC	SIMPSONVILLE	SC	29678
2866	FAIRFIELD COUNTY	ERD114 - SC	WINNSBORO	SC	29681
2934	YORK COUNTY	422589 - SC	ROCK HILL	SC	29180
3216	HILTON HEAD	42-5481 - SC	HILTON HEAD ISLAND	SC	29732
3991	PENDLETON DIALYSIS	ERD145 - SC	PENDLETON	SC	29926
4059	BATESBURG-LEESVILLE	ERD161 - SC	LEESVILLE	SC	29670

Fresenius Management Services, Inc.
 920 Winter St.
 (800) 692-1237
 Waltham, MA 02451-1457

Fresenius Medical Care



DATE
08/09/2007

CHECK NO.
0004000651

99-159
SSN

NET AMOUNT

PAY *****5.39*

NET VALID AFTER 90 DAYS

TO
THE
ORDER
OF

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

Frist Union Bank
 of North Carolina
 Chapel Hill, North Carolina 27514

⑆0004000651⑆ ⑆053101561⑆ 2079900011555⑆

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-ENGERLIX B FOLLOW UP AUDIT - 20	5.39	0.00	5.39
TOTALS			\$5.39		\$5.39