



HEALTH CARE
&
HUMAN
SERVICES

David P. Glasel, Chair
518.429.4250
dglasel@hblaw.com

Marie A. Butchello
Linda J. Clark
Charles Z. Feldman
Sheila A. Gaddis
James S. Grossman
Holly J. Hoehner
Tara N. Kamble
Eugene M. Laks
Henry J. Nahal
Gabriel M. Nugent
Margaret Surowka Rossi
Robert G. Tengeler
Melissa M. Zambri

OMIG 2009-2010 Work Plan Released: Medical Transportation Highlights

This Legal Alert discusses the recently released Work Plan of the Office of the Medicaid Inspector General (OMIG) as it relates to the provision of medical transportation to New York Medicaid recipients.

OMIG has concentrated its reviews on high-ordering transportation providers, as well as on the transportation providers themselves. With the assistance of OMIG nursing staff, OMIG intends to focus increased audit efforts on the ordering providers. Physicians, methadone maintenance, pharmacies and adult day health care providers are just a few of the high-ordering providers that OMIG plans to review in conjunction with transportation audits. In addition, OMIG plans to review the following:

Ninety-Day Billing Exception Codes

The Medicaid program requires a provider to submit claims for services to eligible recipients within 90 days from the date of discharge or service. Claims submitted after 90 days are denied unless the provider submits a 90-day exception code on the claim. OMIG's data mining activities identified numerous inaccuracies where claims were submitted after 90 days with invalid exception codes. OMIG will expand its review of Medicaid payments for claims submitted by providers after the date of service utilizing exception codes. Generally, the review period will cover July 1, 2003 through December 31, 2005. OMIG will select a sample of claims submitted with the exception codes and request that the transportation company provide the underlying documentation to support late claim submission.

Transportation-Billing for Inpatients

OMIG, as a result of prior successful recoveries in this area, will again initiate audits of transportation services billed to Medicaid when the recipient was a hospital inpatient. The audit scope will include a review of the transportation company records to support the transportation service was provided, as well as validation that the company's drivers met the required regulations to escort and bill for the transportation of Medicaid recipients. Providers will be asked to explain, in writing, how the entity billed for a patient who was an inpatient at the time, and what compliance and oversight measures the provider has put in place to prevent a recurrence.

Transportation-Non-Emergency Ambulance

OMIG will review Medicaid claims for non-emergency ambulance procedure codes to ensure that the Medicaid recipient is in need of services that can only be administered by an ambulance, and further, that the ambulance had the appropriate equipment and personnel to meet the needs of the recipient.

Hiscock & Barclay is a full service, 210-attorney law firm, with offices throughout the major cities of New York State, as well as in Boston, Washington, D.C. and Toronto. We provide comprehensive legal and business counsel to a diverse client base in 29 specialized practice areas with statewide and regional expertise as well as with national and international capabilities.



- Commercial Litigation
- Construction & Surety
- Corporate
- Creditors' Rights
- Economic & Project Development
- Energy & Utilities
- Environmental
- Financial Institutions & Lending
- Health Care & Human Services
- Immigration
- Indian Law
- Insurance Coverage & Regulation
- Intellectual Property & Technology
- Intellectual Property Litigation
- International Business
- Labor & Employment
- Lobbying & Election Law Compliance
- Media & First Amendment Law
- Municipal & Land Use
- Professional Liability
- Public Finance
- Real Estate
- Real Property Tax & Condemnation
- Regulatory
- Sports & Entertainment
- Tax
- Telecommunications
- Torts & Products Liability Defense
- Trusts & Estates

Claim Review

OMIG will review fee-for-service claims and supporting documentation of selected transportation providers. OMIG will review transportation provider compliance with regulations governing the program as stated in 18 NYCRR Section 505.10.

Vehicle Information

OMIG will review the driver license and vehicle license plate numbers reported in Medicaid claims by transportation providers who use ambulettes to transport patients. If such numbers are found to be invalid or if the vehicle number as reported is not licensed by the appropriate authorities (New York City Taxi and Limousine Commission, for example), or if the driver as reported is not appropriately licensed (19A certified, for example), OMIG will seek to recover the payments associated with such claims.

Enrolled transportation providers that subcontract to non-enrolled providers violate the Medicaid rules. The enrollment process is vigorous to protect the recipients and integrity of the program. Transportation providers who skirt the system and subcontract services to non-enrolled personnel or entities will be considered for exclusion.

OMIG has an agreement with the New York State Department of Motor Vehicles (DMV) to obtain driver's license information which will assist in identifying individuals who are transporting Medicaid recipients with suspended licenses. This information will enhance OMIG's ability to edit ambulette claims.

OMIG has an agreement with the New York City Taxi and Limousine Commission (TLC) to obtain origin/destination information on ambulettes in New York City that is being captured by global positioning system (GPS) devices. OMIG may be able to use this information to match trip information to Medicaid claims to identify claims that are not supported by a corresponding trip.

In addition, there may be opportunities for the OMIG's DMI staff to work cooperatively with the TLC on joint investigations of Medicaid transportation providers in New York City. The cardswipe program is designed to enforce and verify the presence of the Medicaid recipient at the point of service. It also offers providers a quick, automated process to determine the current eligibility of the Medicaid recipient. One of the major initiatives will focus on more effective monitoring and compliance. The unit will create a comprehensive set of standard procedures and protocols which will define OMIG's expectations, monitoring and communications, and potential resulting actions for noncompliance. OMIG expects that 85 percent of each provider's transactions will be swiped. OMIG will make a major expansion of the use of cardswipe machines. The new machines will be portable and will be initially rolled out to individual home health providers and transportation (ambulette) providers. Another key feature of this initiative will be the swiping at the time the service is begun and at the time the service is completed. Affected providers will receive detailed information as the plan moves forward and the rollout begins. ■

Hiscock & Barclay, LLP has substantial experience in working with medical transportation providers undergoing audits or investigations and in assisting providers in the implementation of compliance programs. Should you need assistance in these matters, please contact David P. Glasel, Chair of the Firm's Health Care and Human Services Practice Area (212-784-5800) or Melissa M. Zambri, Partner in the Firm's Health Care and Human Services Practice Area.

Melissa M. Zambri
(518) 429-4229
mzambri@hblaw.com



David P. Glasel
(518) 429-4250
dglasel@hblaw.com

