

# Special Study: School-based Services

## Overview

# Outline

- Purpose of Study
- Results of Study
- Future of Study
- Communication
- Other School Audits
- Questions

# Purpose of Study

- US Department of Health and Human Services/Medicaid concerns and planned study
- Department concerned about rapid growth and complaints of abuse
- Prior audits identified questionable billings of psychosocial rehabilitation services, physical therapy, occupational therapy, speech therapy



# Purpose of Study

US Department of Health and Human Services  
concern and planned study

- Rising Trend
- Preliminary Review of Claims
- Other State Results

State	Year	Overpayment
Arizona	2010	\$21,288,312
Maryland	2007	\$32,760,910
New Jersey	2006	\$51,262,909
Texas	2005	\$8,749,158
Vermont	2005	\$1,463,395
Rhode Island	2004	\$1,201,193

# Purpose of Study

US Department of Health and Human Services  
concern and planned study

## Region 10 Auditor Proposed Idaho Study

- Auditor agreed to postpone if Idaho designed and implemented study

# Purpose of Study

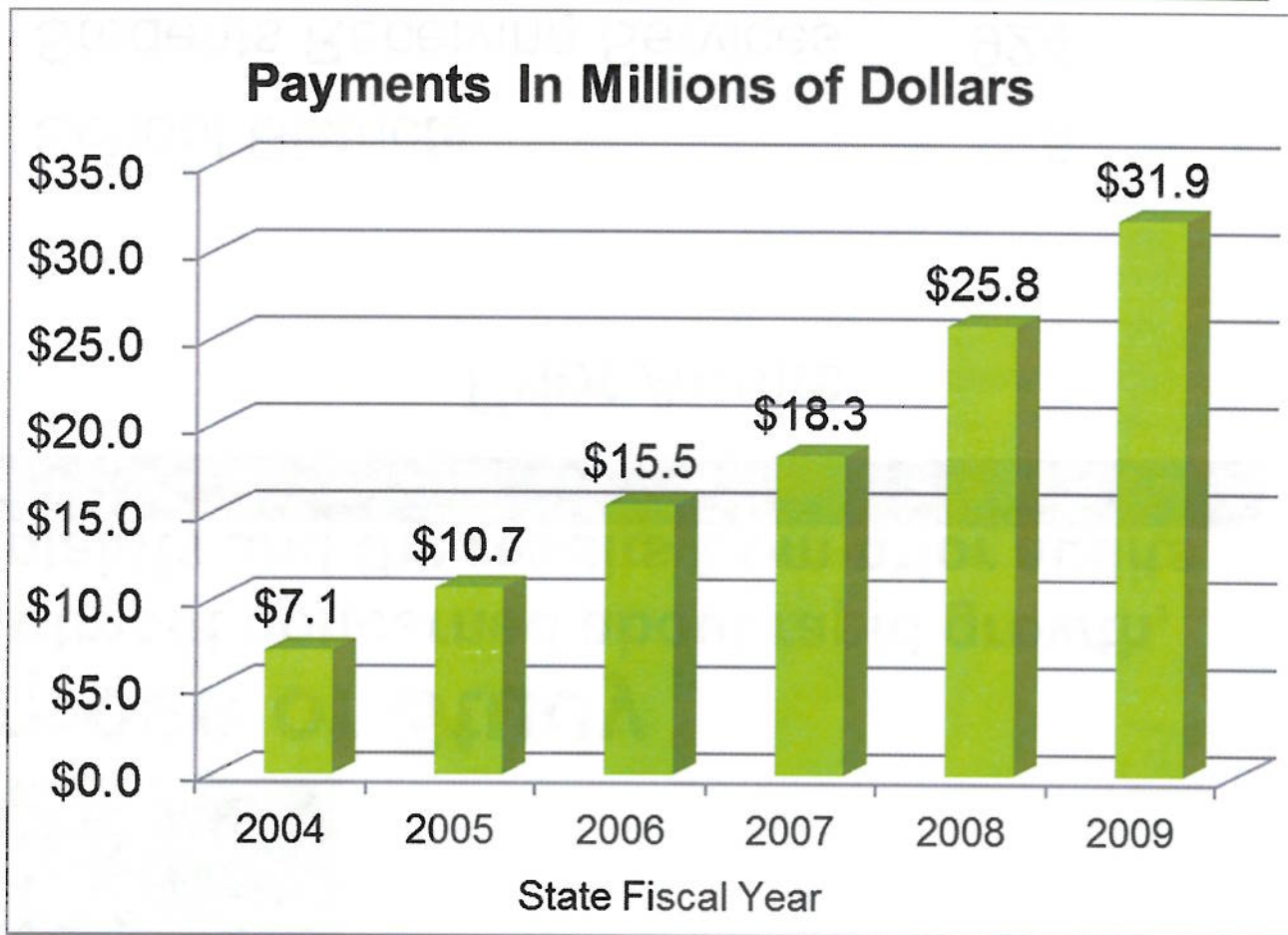
## US Department of Health and Human Services concern and planned study

- On March 9, 2011, Inspector General testified before a US Senate subcommittee that series of audits over past decade identified improper federal Medicaid payments for school-based health services.
- FY 2012 Work Plan - will review Medicaid payments for school-based services in selected states to determine whether costs claimed for services are reasonable and properly allocated.



# Purpose of Study

Department concerned about rapid growth, complaints and the results from prior audits



# Purpose of Study

Department concerned about rapid growth, complaints and the results from prior audits

## Prior Audits

School Districts	5	
Students Receiving Services	924	
Students Audited	124	13%
Students With Overbillings	111	90%



# Purpose of Study

Department concerned about rapid growth, complaints and the results from prior audits

## Prior Audits

	Number Of Claims	Dollars
Audited	11,633	\$962,367
Overpayments	9,366	\$124,449
Error Rate	80%	13%

# Results of Study

- August 2009 – Discussions with Medicaid regarding special study plan
- October 2009 – Met with Medicaid school-based services program staff to discuss concerns and special study plan
- November 2009 - Submitted a special study proposal to Medicaid

# Results of Study

## Method

- School districts selected for review based on:
  - Large annual payments
  - High average payments per student
  - High billings of specific services
  - Previous concerns regarding billings
- Selected small number of students from each school district
- Reviewed 6 months of claims per student



# Results of Study

## School District Studies

Reviewed Prior To Study	5
Selected For Study	<u>26</u>
Total Studied	<u>31</u>
Pending	1
Self Reported	1
Pending Recovery Audit Contract (RAC) Audit	2

# Results of Study

## Completed School District Studies

School Districts	31	
Students Receiving Services	3,812	
Students Audited	471	12%
Students With Overbillings	358	76%

# Results of Study

## Completed School District Studies

	Number Of Claims	Dollars
Audited	40,952	\$3,636,094
Overpayments	9,366	\$633,240
Error Rate	23%	17%



# Results of Study Findings

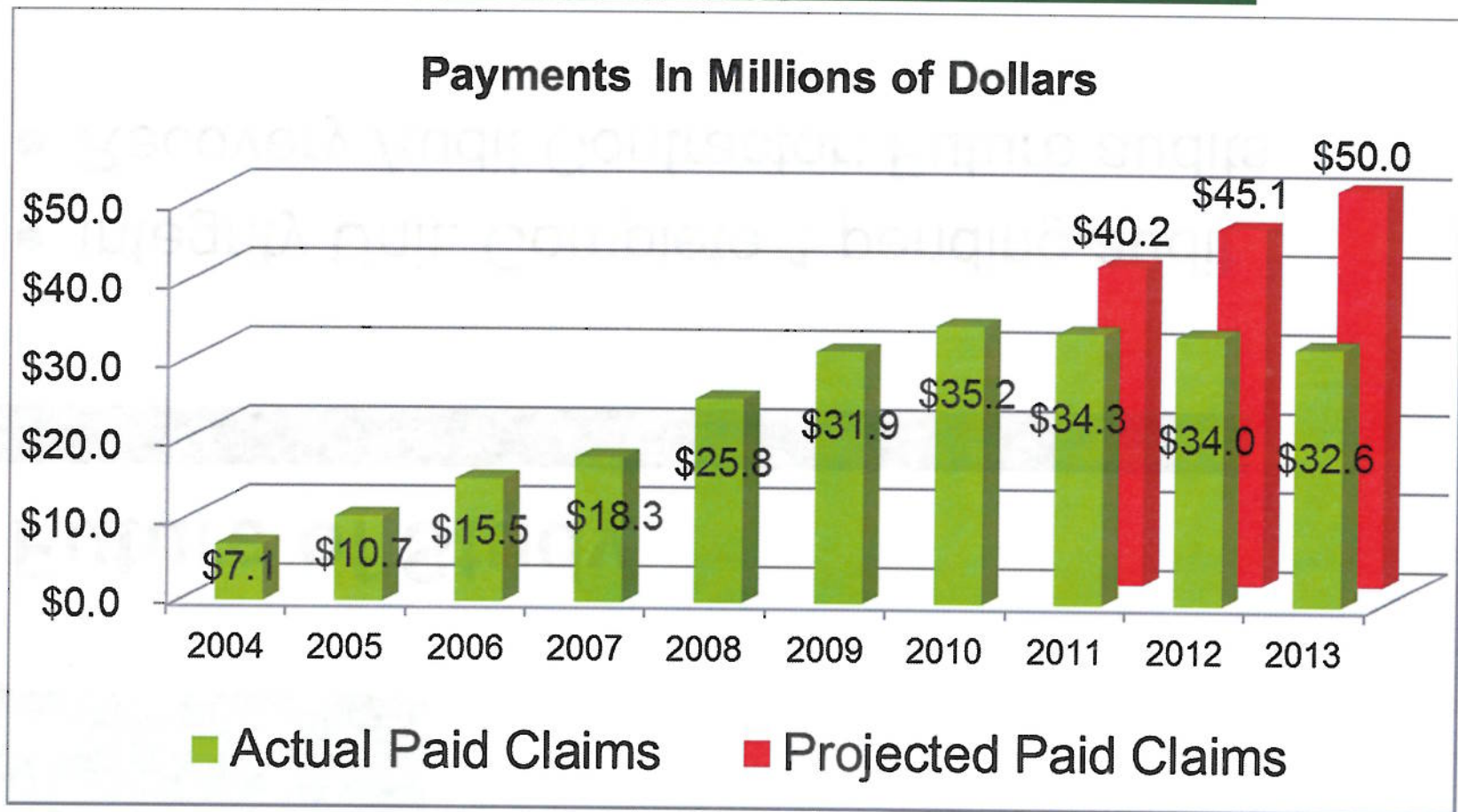
- Billed services not rendered
  - absent students
  - sleeping students
  - students were out of school
- Billed multiple services during same time period
- Overbilled units
- Billed services without physician recommendations or referrals
- Billed non-covered services as covered services
- Billed services provided by excluded individual
- Billed services provided by individual without a criminal history background check
- Billed services by unqualified staff

# Results of Study

## Findings Continued

- Billed individual services when group services were provided
- Billed more hours of service than authorized/listed on Individualized Education Program (IEP)
- Billed services not listed on IEPs
- Billed services without a current IEP
- Billed services not documented
- Maintained inadequate documentation
- Cloned notes (copied and pasted)
- Billed services for individuals not qualified to receive services
- Billed date spans for non-consecutive dates of service

# Results of Study





## Future of Study

- Integrity Unit: Complete 1 pending audit
- Recovery Audit Contractor: Future audits

# Future of Study

## Recovery Audit Contractor

- Resources to complete audits
- Pilot study for two school districts
- Department review of all findings
- Audit half of all school districts
- Continue with same method
  - Small sample
  - Limited time frame
  - No extrapolation
  - Limited or no penalty

# Future of Study

## Penalty

- Special Studies by the Recovery Audit Contractor will not include a civil monetary penalty
- However:
  - May assess a penalty on any audit, if the findings meet the criteria established in section 56-209h (6) of Idaho Code
  - Penalties must be applied consistently
  - Penalty may be imposed on subsequent audits if we find corrective actions have not been implemented



# Communication

- January 2010 – discussed plan with School-based Medicaid Committee
- March 2010 – gave presentation at statewide Special Education Director's Conference
  - Presented preliminary findings
  - Provided information on how to survive an audit
- June 2011 – gave presentation at Idaho Association of School Business Officials' Annual Conference
- January 18, 2013 – conference call presentation with State Department of Education
- February 14, 2013 - Webinar presentation to Idaho Special Education Directors
- March 5, 2013 – presentation at the Idaho Association of Special Education Administrators

# Communication

- Published 2 articles in monthly Medicaid newsletters about school-based services
- Held periodic meetings with State Department of Education, and Medicaid staff to discuss findings/concerns
- Updated School-based Medicaid Committee on special study status
- Communication to school districts that bill Medicaid
  - Issue summary report of findings
  - Recommend school district quality review processes

# Other School Audits

Type of Audit	Districts	Overpayments	Penalties
Special Studies	13	\$138,666	\$33,311
Complaint	4	\$112,290	\$28
Other Audit	2	\$3,348	\$837
Self Audit	1	\$26,981	\$0
No Findings	7	\$0	\$0
Pending	3	\$0	\$0



# Other School Audits

- Special Studies
  - Speech evaluations billed multiple times
  - Non medical interpretive services
- Complaints
  - Client, Medicaid, or Medicaid Fraud Control Unit in Attorney General Office
- Other Audit
  - Audit of one provider identified unqualified staff for multiple providers

# Special Study: School-based Services

Questions?