STATE OF NEW JERSEY

OFFICE OF THE STATE COMPTROLLER
MEDICAID FRAUD DIVISION

COMPLIANCE AUDIT

THE HEART CENTER OF THE ORANGES
FINAL AUDIT REPORT

Marc Larkins
ACTING COMPTROLLER

April 23, 2015

Executive Summary

As part of its oversight of the Medicaid and New Jersey FamilyCare programs (Medicaid), the Office of State Comptroller's Medicaid Fraud Division (OSC) conducted an audit of The Heart Center of the Oranges (HCOTO).

The audit entailed a review of HCOTO's paid fee for service (FFS) claims for consultation visits for compliance with Medicaid regulations.

During this audit, OSC determined that HCOTO was overpaid and should reimburse the Medicaid program $85,793. The overpayment is attributed to consulting instances where both the referring provider and servicing provider were members of the HCOTO group.

Background

HCOTO is a multispecialty health care provider group offering Internal Medicine, Cardiology, Pulmonary, Sleep Medicine, Neurology, Gastroenterology, Physical Therapy, Dietitian, and Nuclear Medicine services throughout Essex County, New Jersey. The HCOTO enrolled in the Medicaid program July 1, 1999.

The Data Mining Unit (DMU) of OSC reviewed the Medicaid Management Information Systems, Surveillance & Utilization Review Subsystem (J-SURS) Quarterly Report on cardiovascular physicians, and identified this provider for review based on anomalous billing patterns.

Objective

The objective of this OSC review was to determine whether HCOTO billed Medicaid in accordance with the New Jersey Administrative Code (N.J.A.C.) §10:54-4.30(f) Physician Services, FFS consultation visits.

Scope

The scope of this OSC audit was limited to a review of paid FFS consultation visit claims for the period of January 1, 2008 through January 31, 2014. The audit was conducted under the authority of the Medicaid Program Integrity and Protection Act (N.J.S.A. 30:4D-53 et seq.) and N.J.S.A.52:15C-23.

Scope Expansion

The HCOTO self-disclosed that they were billing consultation visit claims for the past seven years. Based on this admission, OSC expanded the review period from January 1, 2007 through July 11, 2014 for all FFS claims.

Audit Findings

Inter-office Consultations

Per N.J.A.C. §10:54-4.30(f), for all FFS claims, "Limited, Comprehensive and/or Follow-up Consultation shall be denied if performed in an office, a residential health care facility, or home setting, if the consultation has been requested by, between, or among members of the same group, shared health facility, or physicians sharing common records."

OSC identified 1,295 paid Medicaid FFS claims totaling $85,793 for consultations where both the referring provider and servicing provider were group members of HCOTO.

Recommendation

OSC recommends that HCOTO reimburse the Medicaid program $85,793 for consultations where referring providers and servicing providers are group members of HCOTO. Also, OSC recommends training for facility personnel to foster compliance with N.J.A.C. §10:54-4.30(f).

Response

The provider's response is attached as Appendix A.

APPENDIX A

The Heart Center of the Oranges

Gitendra Rajiyah, M.D., FACC
Ali Asgher Khanshab, RPA-C
Invasive & Non Invasive Cardiology
Diplomate in Cardiology

East Orange Offices:
310 Central Ave.
Suite 102
East Orange, NJ 07019
Tel: (973) 395-1550
Fax: (973) 395-1556

85 S. Harrison St.
Suite 201
East Orange, NJ 07018
Tel: (973) 672-3829
Fax: (973) 673-7558

West Orange Offices:
77 Main St.
West Orange, NJ 07052
Tel: (973) 324-2090
Fax: (973) 324-2089

92 Old Northfield Rd.
West Orange, NJ 07052
Tel: (973) 736-5552
Fax: (973) 736-5582

South Orange Office:
60 Vose Ave.
South Orange, NJ 07079
Tel: (973) 763-5200
Fax: (973) 763-1978

Maplewood Office:
2040 Millburn Ave.
Suite 401
Maplewood, NJ 07040
Tel: (973) 378-2266
Fax: (973) 378-8751

ICAEL
Accredited Echocardiography Laboratory

ICANL
Nuclear Cardiology
Accredited Nuclear Cardiology Laboratory

Accredited Vascular
ICAVL
Laboratory

Accredited by
American Academy of Wake Sleep Medicine

VIA FACSIMILE : (609) 862-4801

May 12, 2014

State of New Jersey

Office of the State Comptroller

P.O. Box 025

Trenton, New Jersey 08625

Dear Mr. Malik,

RE: Medicaid Claims: Provider ID [redacted]

I am in receipt of your correspondence of May 1, 2014 with reference to Medicaid Claims – Provider ID [redacted] Medicaid Fraud Division's review of in office consultation billing.

I find this review and outcome to be surprising in nature. I have dedicated my entire life to helping my patients. This practice was developed to offer a multispecialty physician panel to our patients in an effort to give the best care and offer the patients less commuting and more convenience but most of all quality care. Our Physicians are Board Certified in their Specialty.

We were never made aware of New Jersey Administrative Code (N.J.A.C.)10:54-4.30.

If a patient is seen by their Primary Care Physician and he feels there is a medical issue and the patient should be examined and evaluated by either a Cardiologist, Pulmonologist or Neurologist we offer the appropriate Specialist in the practice. The patient is examined again by the Specialist in the particular department.

Now after seven (7) years we are being told that we cannot bill this service as a consultation. In good faith we offered this service, and our records demonstrate the extensive time spent and evaluation done by the Specialist during the consultation.

At this time we are requesting consideration for the services rendered, and at the very least allow the Specialist to lower the billing code from Consultation to office visit permitting him to recoup a small payment for his extensive time and services to the patient.

We of course will comply with the state mandate and educate our physicians and employees that any Medicaid patient seen by a specialist will be billed as a follow up visit.

We appreciate any consideration you can provide and we would also be seeking any payment plan options available.

Yours truly,

5/12/14

Gitendra Rajiyah, M.D., F.A.C.C.

CC: [redacted]