# BHUPINDER S. CHAHAL, M.D.
# LUCAS COUNTY

## MEDICAID COMPLIANCE REPORT

## FOR THE PERIOD JANUARY 1, 2008 THROUGH DECEMBER 31, 2010

Dave Yost · Auditor of State

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**BHUPINDER S. CHAHAL, M.D.**
**LUCAS COUNTY**

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# Dave Yost • Auditor of State

**Independent Accountant's Report**

Bhupinder S. Chahal, M.D.
6800 West Central Avenue, Suite D3
Toledo, Ohio 43617

RE: Medicaid Provider Number 0552950

Dear Dr. Chahal:

We examined Bhupinder S. Chahal, MD (the Provider) for compliance with Ohio Administrative Code (Ohio Admin. Code) §§ 5101:3-4-06 and 5101:3-1-17.2 during the period of January 1, 2008 to December 31, 2010. Our examination was performed under our authority in Section 117.10 of the Ohio Revised Code. Dr. Chahal is responsible for his compliance with those requirements. Our responsibility is to report on the Provider's compliance based on our examination.

Our examination included reviewing, on a test basis, evidence about the Provider's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our conclusions. Our examination does not provide a legal determination on the Provider's compliance with specified requirements.

We examined 65 inpatient psychotherapy with evaluation and management service lines which included 116 units (physician visits) and identified 23 errors relating to non-compliance with those requirements. We found the Provider was overpaid by Ohio Medicaid for services rendered between January 1, 2008 and December 31, 2010 in the amount of $20,444.38. This finding plus interest in the amount of $3,320.39 totaling $23,764.77, is due and payable to the Office of Medical Assistance (OMA) upon OMA's adoption and adjudication of this examination report.[1] After adjudication by OMA, additional interest of $4.48 per day may be assessed until the finding and interest is paid in full.

When the Auditor of State identifies fraud, waste or abuse by a provider in an examination,[2] any payment amount in excess of that legitimately due to the provider will be recouped by OMA through its office of fiscal and monitoring services, the state auditor, or the office of the attorney general. Ohio Admin. Code § 5101:3-1-29(B). Therefore, a copy of this report will be forwarded to OMA because it is the state agency charged with administering Ohio's Medicaid program. OMA is responsible for making a final determination regarding recovery of our findings and any accrued interest. If you agree with the findings contained herein, you may expedite repayment by contacting OMA's Office of Legal Services at (614) 752-3631.

[1] Effective September 10, 2012. OMA replaced the Ohio Department of Job and Family Services (ODJFS) as the single state agency responsible for supervising the administration of Ohio's Medicaid program pursuant to Ohio Rev. Code § 5111.01.

[2] "Fraud" is an intentional deception, false statement, or misrepresentation made with the knowledge that the deception, false statement, or misrepresentation could result in some unauthorized benefit to oneself or another person. "Waste and abuse" are practices that are inconsistent with professional standards of care; medical necessity; or sound fiscal, business, or, medical practices; and that constitute an overutilization of Medicaid covered services and result in an unnecessary cost to the Medicaid program. Ohio Admin. Code § 5101:3-1-29(A).

Copies of this report are also being sent to the Medicaid Fraud Control Unit of the Ohio Attorney General's Office; the U.S. Department of Health and Human Services/Office of Inspector General; and the State Medical Board of Ohio. In addition, copies are available to the public on the Auditor of State website at www.ohioauditor.gov.

Sincerely,

**Dave Yost**
Auditor of State

January 2, 2013

## Compliance Report for Bhupinder S. Chahal, M.D.

### Background

Title XIX of the Social Security Act, known as Medicaid, provides federal cost-sharing for each state's Medicaid program. Medicaid provides health coverage to families with low incomes, children, pregnant women, and people who are aged, blind, or who have disabilities. In Ohio, the Medicaid program is administered by OMA.

Hospitals, long-term care facilities, managed care organizations, individual practitioners, laboratories, medical equipment suppliers, and others (all called "providers") render medical, dental, laboratory, and other services to Medicaid patients. The rules and regulations that providers must follow are specified in the Ohio Administrative Code and the Ohio Revised Code. The fundamental concept underlying the Medicaid program is medical necessity of services: defined as services which are necessary for the diagnosis or treatment of disease, illness, or injury, and which, among other things, meet requirements for reimbursement of Medicaid covered services. *See* Ohio Admin. Code § 5101:3-1-01(A).

The Auditor of State performs examinations to assess provider compliance with reimbursement rules to ensure that services billed to Ohio Medicaid are properly documented and consistent with professional standards of care, and medical necessity. According to Ohio Admin. Code § 5101:3-1-17.2(D), Medicaid providers must "maintain all records necessary and in such form so as to fully disclose the extent of services provided and significant business transactions" for a period of six years or until any audit initiated within the six year period is completed. Providers must furnish such records for audit and review purposes. Ohio Admin. Code § 5101:3-1-17.2(E)

The Provider's Ohio Medicaid Provider number is 0552950 and he is a doctor of medicine located in Lucas County, Ohio. During the review period, Dr. Chahal provided physician services to Ohio Medicaid recipients. Ohio Medicaid reimbursed the Provider for 5,377 units of service for a total of $111,757 in 2008, 6,267 units of service for a total of $151,232 in 2009 and 6,497 units of service for a total of $99,848 in 2010.

Hospital care by the attending physician in treating a psychiatric inpatient or partial hospitalization may be initial or subsequent in nature and may include exchanges with nursing and ancillary personnel. Hospital care services involve a variety of responsibilities unique to the medical management of inpatients, such as physician hospital orders, interpretation of laboratory or other medical diagnostic studies and observations. Ohio Medicaid recipients may be eligible to receive inpatient psychotherapy services provided by a physician. Some patients receive only psychotherapy and others receive psychotherapy with medical evaluation and management services. Inpatient visits are provided to a hospital patient or a patient in a long-term care facility. Providers must select and bill the appropriate type of visit in accordance with the current procedural terminology manual. See Ohio Admin. Code § 5101:3-4-06(B). Inpatient hospital visits are limited to one visit per day per patient per provider. See Ohio Admin. Code § 5101:3-4-06(O)(2) Medicaid providers are required to keep records that establish medical necessity and disclose the type, extent, and level of service rendered to Medicaid consumers according to Ohio Admin. Code § 5101:3-1-27(A).

### Purpose, Scope, and Methodology

The purpose of this examination was to review Medicaid reimbursements and determine whether the Provider's Medicaid claims for reimbursement complied with Ohio Medicaid regulations. At the conclusion of the examination, we will identify, if appropriate, any findings resulting from non-compliance.

The scope of the engagement was limited to an examination of psychotherapy with evaluation and management services for which the Provider rendered services to Medicaid patients and received payment during the period of January 1, 2008 to December 31, 2010. We received the Provider's paid claims history from the Medicaid Management Information System (MMIS) database of services billed to and paid by Ohio's Medicaid program. We extracted denied, third-party, and Medicare cross-over claims. We then extracted paid claims for procedure code of 90817 (inpatient psychotherapy with evaluation and management) which were billed for one unit or if greater than one unit, the date of service did not match the last service date. From this sub-population of claims, we selected a statistical random sample to facilitate a timely and efficient examination as permitted by Ohio Admin. Code § 5101:3-1-27(B)(1).

An engagement letter was sent to the Provider on November 17, 2011, setting forth the purpose and scope of the examination. We held an entrance conference with the Provider on January 31, 2012 and our fieldwork was performed between July 16, 2012 and November 30 2012. We sent the Provider a list of services for which no documentation had been received on September 7, 2012. In response to this letter, we received information identical to that received after our original records request. We sent the Provider a second request for missing records on October 31, 2012 and received additional documentation on November 8, 2012.

**Results**

We reviewed 65 paid service lines which included 116 units (visits) and identified 30 errors. The reimbursements for those services with errors were disallowed. We used the errors to calculate a projected finding of $20,444.38 across the sub-population identified in the scope.

The examination of services found that 29 out of the 116 visits had no documentation to support the unit reimbursed by Ohio Medicaid. In addition, there was one visit in which the documentation did not contain sufficient information to fully disclose the extent of services provided and the information contained in the note did not support the procedure code submitted in the paid claim.

Those services were disallowed. The total amount disallowed is $1,497.90 which was used in the amount of the overall finding projection.

**Summary of Statistical Sample Results**

The overpayments identified for 23 of 65 paid service lines (30 of 116 visits) from our mixed method[3] stratified statistical random sample were projected across the Provider's total subset population. This resulted in a projected overpayment amount of $36,577.98 with a precision of plus or minus $17,315.90 at the 95 percent confidence level. Since the precision percentage achieved was greater than our procedures require for use of a point estimate, the results were re-stated as a single tailed lower limit estimate (equivalent to methods used in Medicare audits), and a finding was made for $20,444.38. This allows us to say that we are 95 percent certain that the population overpayment amount is at least $20,444.30. A detailed summary of our statistical sample and projection results is presented in **Appendix I**.

[3] Stratum with service lines with single services was sampled using simple random sampling, while stratum with service lines with ranges of services was sampled using cluster sampling.

**Provider Response**

A draft report along with a detailed list of services for which we took findings was mailed to the Provider on January 16, 2013, and the Provider was afforded an opportunity to respond to this examination report.

The Provider declined to submit an official response to the results noted above.

# APPENDIX I

**Summary of Sample Record Analysis for Bhupinder S. Chahal, MD**
**For the period January 1, 2008 through December 31, 2010**

| Description | Results of Analysis |
|---|---|
| Type of Examination | Mixed Method Stratified Random Sample |
| Description of Population | All paid 90817 services in audit period without Medicare Copayments and without multiple services billed on a single day |
| Number of Service Lines in Population | 848 |
| Number of Service Lines Sampled | 65 |
| Number of Services in Population | 3,121 |
| Number of Services Sampled | 116 |
| Total Medicaid Amount Paid for Population | $155,831.53 |
| Amount Paid for Services Sampled | $5,791.88 |
| Estimated Overpayment (Point Estimate) | $36,577.98 |
| Precision of Overpayment Estimate at 95% Confidence Level | $17,315.90 |
| Precision of Overpayment Estimate at 90% Confidence Level | $16,133.60 |
| Single-tailed Lower Limit Overpayment Estimate at 95% Confidence Level (Calculated by subtracting the 90 percent overpayment precision from the point estimate) (Equivalent to the estimate used for Medicare Audits) | $20,444.38 |

Source: AOS analysis of MMIS information and the Provider's medical records

# Dave Yost • Auditor of State

***BHUPINDER S. CHAHAL, MD***

**LUCAS COUNTY**

**CLERK'S CERTIFICATION**
**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

Susan Babbitt

**CLERK OF THE BUREAU**

**CERTIFIED**
**FEBRUARY 12, 2013**

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