



## State of New Jersey

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OFFICE OF THE STATE COMPTROLLER  
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**PHILIP JAMES DEGNAN**  
*State Comptroller*

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*Director*

October 25, 2017

### **BY ELECTRONIC and US MAIL**

Dr. Antonio Camilo  
Dr. Judelka Japa-Camilo  
Passaic Pediatrics, PA  
298 Passaic Street  
Passaic, NJ 07055

### **Re: Final Audit Report**

Passaic Pediatrics, PA – Medicaid ID: [REDACTED]

Dear Dr. Camilo and Dr. Japa-Camilo:

As part of its oversight of the Medicaid and New Jersey FamilyCare (Medicaid/NJFC) program, the New Jersey Office of the State Comptroller, Medicaid Fraud Division (OSC) conducted an audit of claims submitted under your facility's Medicaid Provider Identification Number [REDACTED] by the entity you co-own, Passaic Pediatrics, PA (Passaic Pediatrics), for the period from May 1, 2015 through July 31, 2017. OSC hereby provides you with this Final Audit Report (FAR).

### **Executive Summary**

OSC identified and reviewed instances where Passaic Pediatrics billed separately and received payment for Comprehensive Preventive Medicine Evaluation and Management services (E/M) and Preventive Counseling services (Counseling) on the same day for the same recipients. These billings are not consistent with the American Medical Association's (AMA) Current Procedural Terminology (CPT) code guidelines, which require that such services be billed together in a bundled manner. Pursuant to the New Jersey Administrative Code (*N.J.A.C.*) 10:54-9.1, Medicaid/NJFC uses the Centers for

Medicare and Medicaid Services (CMS) Healthcare Common Procedure Coding System (HCPCS), which follows the AMA's CPT guidelines.

Based on the audit, OSC found that Passaic Pediatrics improperly submitted claims for Preventive Counseling Services separately from Comprehensive Preventive Medicine E/M services for the same recipients on the same date of service when such claims should have been bundled or billed together. Through unbundling claims that should have been bundled, Passaic Pediatrics improperly submitted 6,092 claims for which it was paid \$198,572.02. OSC is seeking reimbursement of the amount that Passaic Pediatrics was overpaid for these claims in the amount of \$198,572.02.

### **Background**

The AMA's CPT code guidelines designate service codes 99381 through 99429 for Comprehensive Preventive Medicine Services E/M. According to the CPT, the service codes for Preventive Counseling (Counseling) are 99401 through 99412. E/M codes are for comprehensive services, which include patient history, examination, and medical decision making. Codes for Counseling are used for areas such as family problems, diet and exercise. Under these guidelines, when a provider seeks payment from the Medicaid/NJFC program, these two services (E/M and Counseling) should be billed together in a bundled manner under just the appropriate E/M code when the service is provided to the same recipient on the same day.

As a condition of participation in the Medicaid/NJFC program, Medicaid providers are required to adhere to all applicable state and federal laws. Similarly, the state contract between the New Jersey Department of Human Services, Division of Medical Assistance and Health Services (DMAHS), and the Managed Care Organizations (MCO) requires the MCOs and their providers to adhere to applicable New Jersey laws and regulations. One regulatory requirement is that providers must adhere to the AMA's standards, including the cited billing and coding requirements that were used during this audit.

### **Audit Objective**

The objective of the audit was to evaluate claims billed by Passaic Pediatrics to determine compliance with state and federal regulations. The audit was conducted under the guidelines established by the AMA's CPT code guidelines.

### **Audit Scope**

The scope of this audit entailed a review, discussion and evaluation of billings for claims where CPT codes for Preventive Counseling (99401 through 99412) were unbundled from Comprehensive Preventive Medicine E/M CPT codes (99381 through 99429) and were billed on the same day for the same recipients. The audit period was May 1, 2015 through July 31, 2017. The audit was conducted under the authority of *N.J.S.A. 52:15C-23* and the Medicaid Program Integrity and Protection Act, *N.J.S.A.30:4D-53 et seq.*

## **Audit Findings**

### **Incorrect Billing of CPT Codes**

Through this audit, OSC identified 6,092 Medicaid claims submitted by Passaic Pediatrics in which Passaic Pediatrics improperly unbundled the services provided for billing purposes and, as a result was paid \$198,572.02 more than it was entitled to receive for these services. Preventive Counseling services, CPT codes 99401 and 99404, were unbundled and billed separately along with Preventive Medicine E/M, CPT 99382 through 99385 and 99391 through 99395, for the same recipients, on the same day.

Pursuant to the AMA's CPT code guidelines, for claim submission purposes, Preventive Counseling CPT codes (99401 through 99412) are included in Comprehensive Preventive Medicine E/M CPT codes (99381 through 99387 and 99391 through 99397) and, accordingly, should not be billed separately from those codes. Passaic Pediatrics improperly unbundled Preventive Counseling codes from Comprehensive Preventive Medicine E/M codes and billed these codes separately when they should have been billed together. OSC found that Passaic Pediatrics improperly submitted claims and was overpaid a total of \$198,572.02.

### **Recommendations**

OSC recommends that Passaic Pediatrics reimburse Medicaid/NJFC a total of \$198,572.02 for Preventive Counseling Services billed contrary to AMA guidelines. Also, OSC recommends that Passaic Pediatrics provide training to its staff or guidance to its outside billing contractor to foster compliance with these requirements and all other applicable regulations. Finally, OSC recommends that Passaic Pediatrics remain current with coding and billing guidelines offered by the AMA and periodically check with payers for specific coverage guidance.

### **Auditee Response**

In a written response, Dr. Antonio Camilo and Passaic Pediatrics agreed with the audit findings and provided a Corrective Action Plan to address the audit's recommendations. Dr. Antonio Camilo and Passaic Pediatrics also described the specific steps they have taken or will take to implement the recommendations made in this audit report. The full text of the response letter submitted by Dr. Antonio Camilo and Passaic Pediatrics is included as an Appendix to this report.

### **OSC Comments**

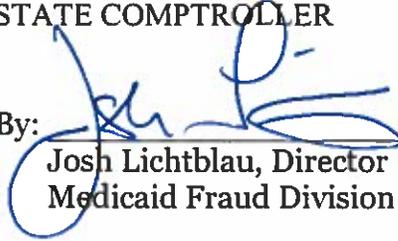
OSC notes that you and Passaic Pediatrics are in complete agreement with the audit's findings and recommendations. Accordingly, OSC requests that you reimburse the Medicaid/NJFC program \$198,572.02 and that you initiate steps to correct the findings identified in the audit. Given your agreement with the findings in this audit and your

stated intention to implement corrective actions, OSC believes that no further action is necessary with respect to this audit.

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Sincerely,

PHILIP JAMES DEGNAN  
STATE COMPTROLLER

By: 

Josh Lichtblau, Director  
Medicaid Fraud Division

Cc: Kay Ehrenkrantz, Deputy Director  
Don Catinello, Supervising Regulatory Officer  
Glen Geib, Recovery Supervisor

**PASSAIC PEDIATRICS, P.A.**


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*Suprema Naim, MD	*Lourdes Aguayo, MD	*Vanessa Montañez, FNP	
*Joey S. Chui, PA-C	*Yassel M. LeGoff, PA-C		

September 14, 2017

To Whom It May Concern:

This letter is to inform that we agree with the findings of the audit. After much research and review of the records that were provided to us we have come to the same conclusion as the Medicaid Fraud Division. The form in which these claims were coded was not correct.

We want to make it clear that the coding was done in error and not with the intent to commit fraud. There is no evidence that anyone advertently miscoded these visits in order to increase payments from Medicaid. Passaic Pediatrics' billing is outsourced to a third party company, Japa Billing Services. We rely on JBS to inform us of any miscoding done at our practice. To our knowledge they did not knowingly submit these claims with the intent to defraud.

Since this has come to our attention, Passaic Pediatrics immediately stopped using the CPT code 99401. This code has been removed in all instances in which is it used in combination with the Preventive Services.

Passaic Pediatrics and Japa Billing Services are committed to remain current with Coding and Billing Guideline. We would like to learn from this incident and improve the way coding is done within our office, as well as work together with JBS to assure that something of this magnitude does not occur again.

As part of our Corrective Action Plan, Passaic Pediatrics and JBS will remain current with coding and billing guidelines through CME opportunities through the AMA and AAP. In addition, we will review the monthly Newsletters provided by CMS as well as each of the HMOs.

Sincerely,

*Antonio Camilo, MD*

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Antonio Camilo, MD, FAAP  
Passaic Pediatrics, PA