



State of New Jersey

PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

OFFICE OF THE STATE COMPTROLLER
MEDICAID FRAUD DIVISION
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KEVIN D. WALSH
Acting State Comptroller

JOSH LICHTBLAU
Director

March 13, 2023

Freehold Montclair Healthcare, LLC
d/b/a Signature Medical Day Care
Owners: Robert Notte, Bruno D'Uva, and Michael Hunt
110 Greenwood Avenue
Montclair, New Jersey, 07042
Sent via encrypted electronic mail to [REDACTED].

Re: Revised Notice of Overpayment
Case Number: [REDACTED]

Dear Provider:

This notice is in response to your email correspondence dated December 9, 2022, December 16, 2022 and December 20, 2022, regarding the Notice of Overpayment dated September 20, 2022 that the Office of the State Comptroller, Medicaid Fraud Division (MFD) sent to Signature Medical Day Care (Signature), Medicaid Provider ID [REDACTED]. As explained in its September 20th notice, MFD identified three categories of claims in which Signature improperly submitted 1,180 claims for which it received Medicaid overpayments totaling \$93,766.10 that it must repay to the Medicaid program. In its December 2022 email responses, Signature provided additional information regarding these three categories of claims, each of which is outlined below.

1. While the recipients were admitted to an inpatient facility, such as a hospital or skilled nursing/long term care center– 80 claims, with overpayments of \$6,751.30 (in violation of N.J.A.C. 10:164-1.5). Signature submitted a document signed by a beneficiary, indicating that the beneficiary was not hospitalized at the time the services were rendered by Signature. Signature also submitted the beneficiary's physical therapy schedule with another provider. However, MFD's records indicate that the beneficiary was a resident at a long term care facility and that the beneficiary was ineligible to receive adult medical day care services during the period in question. Signature did not provide any additional evidence to show that the beneficiary received services from Signature. **Accordingly,**

MFD is not revising this finding and Signature must repay the Medicaid program for the payments it received for these claims.

2. In excess of five (5) days per week– 48 claims with overpayments of \$4,125.20 (in violation of N.J.A.C. 10:164-1.4(a)). Signature indicated that it provided both in person and telehealth services during the timeframe in question. Signature denied providing services in excess of five (5) days per week. However, Signature did not provide any additional evidence that it did not bill in excess of the time allowed. **Accordingly, MFD is not revising this finding and Signature must repay the Medicaid program the payments it received for all of these claims.**

3. While the recipients were receiving services from another adult medical day care provider– 1,052 claims, with overpayments of \$82,889.60 (in violation of N.J.A.C. 10:49-9.8). Signature provided three (3) different Excel documents stating that varying amounts were already recovered by Medicaid Managed Care Organizations (MCOs). In one of the Excel files, Signature stated that 619 claims and \$50,104.10 was recovered by the MCOs; in another Signature stated that 547 claims and \$44,259.60 was recovered; and finally in yet another file, Signature stated that 539 claims and \$35,299.50 to \$43,816.50 was recovered. In an email dated November 23, 2022, MFD asked Signature to provide documentation in support of the recoupment of these claims by the MCOs. Based on the documentation submitted by Signature in December 2022, MFD has determined that Horizon and WellCare recovered 187 claims and \$14,687.10. **Accordingly, MFD has adjusted its prior findings and Signature must repay the Medicaid program for 865 claims with an overpayment amount of \$68,202.50** Attached please find a password protected file of MFD’s revised analysis of all paid claim comprising the overpayment for this category. To obtain the password, please contact me via email at [REDACTED]. Please include the case number, “[REDACTED]” in the subject line of any email correspondence.

In sum, given Signature’s December 2022 response, MFD finds that Signature must pay the adjusted overpayment amount of \$79,079. Please mail a Certified Check in the amount noted above made payable to “Treasurer, State of New Jersey” to the address below **within ten (10) business days** from the date of this notice. Please insert on the memo line of the check “OSC/[REDACTED]”.

Treasurer, State of New Jersey
Division of Revenue
200 Woolverton Street, Building 20
Lockbox 656
Trenton, New Jersey 08646
Attn: Processing Bureau

Please also forward a copy of the Certified Check and the transmittal letter to my attention at Office of the State Comptroller, Medicaid Fraud Division, P.O. Box 025, Trenton, New Jersey, 08625-0025 or via email to [REDACTED]. Please include the case number, “[REDACTED]”, in the subject line of any e-mail correspondence.

If a check is not received within ten (10) business days from the date of this notice, MFD will take further appropriate action, including but not limited to: issuing a Notice of Claim, Certificate of Debt, and Notice of Withholding, which would withhold a portion of your future claims payments, and/or any other remedy available to MFD by law.

This Notice of Overpayment documents and seeks a recovery relating to the improper billing of claims by the provider (entity). Please be advised that this Notice is a public document and, as such, may be placed on the OSC/MFD website.

Sincerely,

KEVIN D. WALSH
ACTING STATE COMPTROLLER

By: _____
Policy Advisor
Medicaid Fraud Division

Copy: _____, Recovery Supervisor, MFD

MFD Update – April 6, 2023

On April 6, 2023, MFD received a Certified Check, dated March 23, 2023, from Freehold Montclair Healthcare, LLC, d/b/a Signature Medical Day Care for the full amount due, \$79,079.