



North Carolina Department of Health and Human Services
Division of Medical Assistance

2501 Mail Service Center • Raleigh, N. C. 27699-2501 • Tel 919-855-4100 • Fax 919-733-6608

Beverly Eaves Perdue, Governor
Albert A. Delia, Acting Secretary

Craig L. Gray, MD, MBA, JD, Director

June 7, 2012

CERTIFIED MAIL
7010 1060 0002 0634 4811

NC Behavioral Health & Counseling Services, Inc #6008373
Attention: Tracie Y. Clay
PO Box 129
Timberlake, NC 27583-0129

PI Case #: 2012-2551

Subject: **Suspension of Medicaid Payments**

Dear Ms. Clay:

Pursuant to 42 CFR § 455.23(a), the Division of Medical Assistance (DMA) **must** suspend all Medicaid payments to a provider after the agency determines there is a credible allegation of fraud for which an investigation is pending under the NC Medicaid program. DMA has received a credible allegation of fraud against NC Behavioral Health & Counseling Services, Inc.

The general allegations as to the nature of the suspension action include but may not be limited to:

- IBM's Fraud and Abuse Management System Claims Data Mining for CY 2011 revealed an excessive number of visits per calendar day (average 25.57), excessive number of HCPCS "H" code units billed per date of service for very young children (10-12 units of H0004, H0004 HR, & H0031 for 2, 3, & 4 year olds) on multiple dates of service, some Sunday & holiday billing, and a high number of visits within 5 days of prior visits. All services were billed under the sole attending provider Dr. Gatabaki.
- Inability to produce medical records, personnel records, and the agency Policy & Procedure Manual upon request during an onsite provider audit.

DMA is not required to disclose any specific information concerning an ongoing investigation. The State Medicaid agency has carefully reviewed all allegations, facts and available evidence carefully prior to taking this action, and has determined that the allegation(s) listed above have indicia of reliability.

Payments to your agency have been suspended effective 6/15/12 in accordance with 42 CFR § 455.23. This suspension applies to all Medicaid claims submitted by the provider number(s) listed below. Any attempt to circumvent this payment suspension action by submitting claims for services performed under this number through other agencies, site locations, or billing numbers shall result in termination of your NC Medicaid Provider Participation Agreement.

Location: 1985 Umstead Drive • Dorothea Dix Hospital Campus • Raleigh, N.C. 27603
An Equal Opportunity / Affirmative Action Employer
www.ncdohhs.gov/dma

Rev 4 | Issued 053112
Suspension Notice to Provider

Provider Name	Provider Number	PI Case Number
NC Behavioral Health & Counseling Services, Inc	6008373	2012-2551

This payment suspension is for a temporary period. Pursuant to 42 CFR § 455.23(c), payment suspension will not continue after either of the following:

1. The agency or the prosecuting authorities determine that there is insufficient evidence of fraud by the provider; or
2. Legal proceedings related to the provider's alleged fraud are completed.

You have the right to submit written evidence to the DMA for reconsideration. To request a reconsideration review of this decision, please return the enclosed form within fifteen (15) working days of receipt of this letter to:

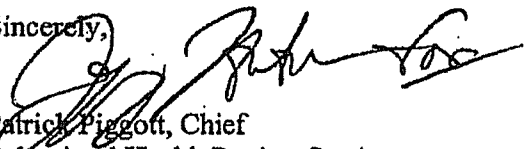
Chief Hearing Officer
DHHS Hearing Office
2501 Mail Service Center
Raleigh, North Carolina, 27699-2501
Attention PI Case #: 2012-2551

You may request a telephone or personal hearing. You may also submit written documentation for review. The documentation must be received within fifteen (15) working days from receipt of this letter in order to be considered. If you request a personal hearing, the hearing will be scheduled in the DHHS Raleigh office. Following reconsideration review, you will be notified in writing of the decision.

If you do not request a Reconsideration Review or if you disagree with the reconsideration review decision, you may file a petition for a contested case hearing with the Office of Administrative Hearings (OAH) in accordance with G.S. § 150B-23(a). You have sixty (60) calendar days from the date of this letter or the date of the reconsideration review decision to file a contested case petition with the OAH. Petition forms are available on the OAH website at <http://www.oah.state.nc.us/forms.html>. There may be a fee associated with filing a petition at OAH. If you have questions about the OAH appeal process or the filing fee, OAH can be reached directly at (919) 431-3000. You must file the contested case petition form with the Office of Administrative Hearings, either in person at 1711 New Hope Church Road, Raleigh, NC 27609, by mail at 6714 Mail Service Center, Raleigh, NC 27699-6714 or via facsimile or electronic transmission in accordance with 26 NCAC 03.0101(c) and mail a copy to Legal Counsel, NC Department of Health and Human Services, 101 Blair Drive, Raleigh, NC, 27603.

If you have any questions regarding this notice, please contact me directly at 919-814-0143.

Sincerely,


Patrick Piggott, Chief
Behavioral Health Review Section
Program Integrity

Enclosure(s)

Cc:

Craig L. Gray, DMA Director
Tara Larson, Chief Operating Officer, DMA
Charles H. Hobgood, MFCU
Sheila Platt, DMA Provider and Recipient Services

Laketha Miller, DHHS Controller
Belinda Smith, NCDOJ

REQUEST FOR RECONSIDERATION

TO: Hearing Office
Department of Health and Human Services
2501 Mail Service Center
Raleigh, North Carolina 27699-2501
Facsimile (919) 814-0032

Dear Chief Hearing Officer:

I hereby request the following type of reconsideration review of the overpayment identified:

_____ Paper (Additional information about my concerns is attached)

_____ Personal (by scheduled telephone conference call)

_____ Personal (I understand this will be held in Raleigh)

Signed: _____

Date: _____

Telephone: _____

REMEMBER: The request must be received by the DHHS Hearing Officer within fifteen (15) working (business) days from the receipt of the notice of payment suspension. Please include a copy of the payment suspension notice with your reconsideration request. Documentation may be faxed to the Hearing Office at (919) 814-0032 (*10 pages or less*). If you have any questions about the reconsideration; please call the Hearing Office at (919) 814-0090.

RE: DMA Program Integrity Section: Behavioral Health Review Section
Provider Name: NC Behavioral Health & Counseling Services, Inc
Medicaid Provider Number: 6008373
Program Integrity Case Number: 2012-2551
Investigator: Jean Sibbers, LCSW

*** IMPORTANT: The Hearing Office must receive your request by 5pm on the date it is due.