



State of New Jersey
Department of Human Services
Division of Medical Assistance & Health Services

NEWSLETTER

Volume 7 No. 41

July 1997

TO: Providers of Transportation Services
HMOs - For Information

SUBJECT: Invalid Coach Services - Billing

EFFECTIVE: Immediately

BACKGROUND: Overpayments of invalid coach claims for mileage may have occurred in multiple-load situations. A review of billing records shows that some providers have inappropriately billed both a load charge and a mileage charge in multiple-load situations.

ACTION: Please be reminded of the rule governing billing for invalid coach service in a multiple-load situation, N.J.A.C. 10:50-1.6(c). **In a multiple-load situation, you may bill a load charge for each individual transported; mileage, however, may be billed for ONE person ONLY.**

Immediate steps must be taken to ensure that your company is in full compliance with the rules for the provision of invalid coach service as indicated at N.J.A.C. 10:50-1.6(c).

A thorough review of your company's billing records must be undertaken for all Medicaid beneficiaries transported in multiple-load situations. A determination must be made as to whether or not claims for Medicaid beneficiaries transported in multiple-load situations have been billed by your company and paid in violation of the rules.

If your review determines that claims have been incorrectly billed in violation of the Medicaid program's rule for mileage in a multiple-load situation, you must submit completed FD-999 forms (originals) to void the claims, as indicated in Section 10 of the Transportation Fiscal Agent Billing Supplement, to Peter K. Rosswaag.

CAUTION

The Division of Medical Assistance and Health Services will continue to monitor this situation and seek recovery from impacted providers on a per-claim basis. In addition, the Division of Medical Assistance and Health Services will continue to review and evaluate the care and services provided to Medicaid beneficiaries to ensure compliance with the provisions of Federal and State law as indicated at N.J.A.C. 10:49-13.1. Post-payment reviews, satisfaction surveys, and spot checks of vehicles and service delivery will continue to be conducted on a regular basis.

The Division of Medical Assistance and Health Services will seek recovery of incorrectly paid claims, including interest and other penalties, and will immediately move for the provider's suspension from the Medicaid program if it is discovered that an invalid coach company has not complied with this Newsletter, the Medicaid program's rules as indicated at N.J.A.C. 10:49 and 10:50, and the rules of the New Jersey State Department of Health and Senior Services as indicated at N.J.A.C. 8:40. Criminal prosecution and other civil and administrative sanctions will also be pursued if fraudulent activity is confirmed.

Questions concerning this Newsletter may be directed to Unisys' Provider Services Unit at 1-800-776-6334, and Pamela Seward or Peter K. Rosswaag at (609) 588-2629.

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