



Commonwealth of Massachusetts
Office of the State Auditor
Suzanne M. Bump

Making government work better

Official Audit Report-Issued December 11, 2013

Dr. Shahrzad Haghayegh / Hancock Dental PC

For the period January 1, 2008 through December 31, 2011





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Office of the State Auditor
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Making government work better

December 11, 2013

Dr. Shahrzad Haghayegh, care of Paul Cirel
Collora LLP
100 High Street, 20th Floor
Boston, MA 02110-2321

Dear Dr. Haghayegh and Mr. Cirel:

I am pleased to provide this performance audit of Dr. Shahrzad Haghayegh / Hancock Dental PC. This report details the audit objectives, scope, methodology, findings, and recommendations for the audit period, January 1, 2008 through December 31, 2011. At the conclusion of the audit, my staff provided Dr. Haghayegh with a draft copy of this report for her review and comments. They also consulted with MassHealth officials during their audit fieldwork. We considered and, in some cases, excerpted Dr. Haghayegh's and MassHealth's comments when preparing this report.

Sincerely,

A handwritten signature in blue ink, appearing to read 'SMBump'.

Suzanne M. Bump
Auditor of the Commonwealth

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INTRODUCTION AND SUMMARY OF FINDINGS AND RECOMMENDATIONS

Medicaid is a joint federal-state program created by Congress in 1965 as Title XIX of the Social Security Act. At the federal level, the Centers for Medicare & Medicaid Services within the U.S. Department of Health and Human Services administer the Medicare program and work in partnership with state governments to administer their Medicaid programs. States have considerable flexibility in designing and operating their Medicaid programs, but must comply with applicable federal requirements. Under Chapter 118E of the Massachusetts General Laws, the Executive Office of Health and Human Services, through the Division of Medical Assistance, administers the state's Medicaid program, known as MassHealth. MassHealth provides access to healthcare services to approximately 1.3 million eligible low- and moderate-income individuals, couples, and families annually. In fiscal year 2012, MassHealth paid healthcare providers more than \$11.4 billion, of which approximately 50% was funded by the Commonwealth.

Among its many healthcare services, MassHealth offers dental coverage to members via the MassHealth Dental Program. All dental providers participating in the Dental Program must comply with MassHealth's regulations, including 130 Code of Massachusetts Regulations 420 and 450, titled "Dental Services" and "Administrative and Billing Regulations," respectively. The goals of the Dental Program are to improve member access to quality dental care, improve oral health and wellness for MassHealth members, increase provider participation in the Dental Program network, streamline program administration to make it easier for providers to participate, and create a partnership between MassHealth and the dental community. In fiscal year 2012, MassHealth paid a total of \$264,998,490 in dental claims to over 2,000 participating dental providers.

The Office of the State Auditor (OSA) conducted an audit of Dr. Shahrzad Haghayegh's dental claims for detailed oral screenings and other dental procedures during the period January 1, 2008 through December 31, 2011. Our audit of Dr. Haghayegh was conducted as part of OSA's ongoing independent statutory oversight of the state's Medicaid program. Several previously issued OSA audit reports have disclosed significant weaknesses in the Dental Program's claims-processing system that resulted in millions of dollars in unallowable and potentially fraudulent claims. This audit was conducted to determine whether Dr. Haghayegh was paid only for medically necessary detailed oral screenings and several other selected dental procedures.

As with any government program, the confidence of the public is essential to the Dental Program's success and continued support. To maintain the public's confidence in its Dental Program, MassHealth must have effective controls, such as regulations that reflect best industry practices and policies and procedures, in place to ensure that members receive only medically necessary services and that claims for such services are processed in accordance with all applicable state and federal laws and regulations.

Highlight of Audit Findings

- MassHealth regulations specify that detailed oral screenings are only for members undergoing radiation treatment, chemotherapy, or organ transplants. During our audit period, Dr. Haghayegh submitted 1,429 claims and received reimbursements totaling \$89,249 for detailed oral screenings for members who we determined were not receiving radiation treatment, chemotherapy, or organ transplants. Therefore, this \$89,249 represents questionable payments for these services.
- Dr. Haghayegh performed oral evaluations on 259 occasions during our audit period that exceeded the limits established by MassHealth for these procedures, resulting in \$10,876 of unallowable costs to the Commonwealth.
- The American Academy of Pediatric Dentistry recommends that members, depending on their caries risk,¹ receive between two and four fluoride applications annually. However, Dr. Haghayegh submitted claims for fluoride treatments that greatly exceeded these annual numbers, resulting in unnecessary payments totaling \$2,340. Additionally, in some instances, Dr. Haghayegh submitted claims for two types of fluoride applications for the same member on the same day; this practice resulted in \$130 of unnecessary costs to the Commonwealth.
- Dr. Haghayegh was paid \$3,271 for dental enhancement fees during the audit period. However, according to state regulations, MassHealth only pays dental enhancement fees to contracted Community Health Centers (CHCs) and Hospital-Licensed Health Centers (HLHCs). Since Dr. Haghayegh's dental practices are neither CHCs nor HLHCs, these payments represent unallowable costs to the Commonwealth.
- MassHealth requires dental providers to maintain legible medical records that offer clear evidence of service delivery and of the nature, extent, and necessity of member dental care. However, the files of Dr. Haghayegh that OSA reviewed did not meet this regulatory requirement and were illegible because of poor penmanship, alterations, white-outs, and cross-outs. Additionally, Dr. Haghayegh did not maintain service entries in chronological order, contrary to standards established by the American Dental Association, and some members' files contained notes on other members.

¹ This is an individual's risk of cavities or dental decay.

- MassHealth does not pay for the replacement of dentures if the existing dentures are less than seven years old. Dr. Haghayegh allegedly tried to circumvent this prohibition by submitting claims for the replacement of every tooth in members' dentures. In OSA's opinion, Dr. Haghayegh's alternative approach to denture replacement represents a deceptive billing practice, and therefore the \$24,336 she was paid for these procedures represents unallowable costs to the Commonwealth.
- Dr. Haghayegh's files lacked documentation to support claims for member visits and/or services totaling \$45,206. This deficiency was identified in 15 of the 40 sampled member files. Of the total amount, \$27,731 in claims is questioned in other findings in this report, and the remaining \$17,475 represents further problems with Dr. Haghayegh's claims.
- MassHealth's regulations specify that it will not pay dental providers to restore the same tooth surface more than once per year. However, Dr. Haghayegh was paid for \$6,342 of claims for tooth restorations that exceeded this defined limit. These claims represent unallowable costs to the Commonwealth.

In addition to the audit findings detailed above, during our audit, OSA identified certain matters in Dr. Haghayegh's and Hancock Dental's member records and claims data that indicated potential fraud and abuse. These matters are not detailed in this report but instead have been referred to OSA's Bureau of Special Investigations (BSI) for further investigation and resolution. BSI is charged with investigating complaints of fraudulent claims or wrongful receipt of payment or services from public assistance programs. We have also referred this report to the Office of the Attorney General for further review and investigation.

Recommendations of the State Auditor

In order to address our concerns over Dr. Haghayegh being paid \$154,019 for dental procedures contrary to MassHealth regulations, OSA recommends that MassHealth:

- Review the billings submitted by Dr. Haghayegh for detailed oral screenings and, if warranted, recover the \$89,249.
- Recover the \$10,876 in unallowable payments for oral evaluations made to Dr. Haghayegh during the audit period. In our previous audit report, we identified this issue at other dental providers and recommended that DentaQuest, LLC (DentaQuest) and MassHealth "modify the system edits in place in the Dental Program's claims-processing system to effectively identify and deny claims that violate the limits for these procedures as established by MassHealth regulations." If MassHealth and DentaQuest have not instituted these edits, then we again recommend that they do so, in order to remedy this ongoing problem.
- Recover the \$2,470 (\$2,340 + \$130) provided to Dr. Haghayegh for unnecessary fluoride treatments during the audit period. In addition, MassHealth is currently in the process of

establishing regulations limiting frequency of fluoride treatments; once those regulations are in place, DentaQuest should add edits to its claims-processing system to ensure compliance.

- Recover the \$3,271 that Dr. Haghayegh received for unallowable dental enhancement fees during the audit period. In addition, MassHealth should investigate all claims for dental enhancement fees to ensure that only CHCs and HLHCs have received payments for those fees, and MassHealth and DentaQuest should develop system edits in the Dental Program's claims-processing system to identify and deny claims from ineligible providers.
- Determine whether Dr. Haghayegh's billings for replacement of teeth within dentures was appropriate and, if not, recover the \$24,336 that she received for these replacements during the audit period. MassHealth should establish service limits for the replacement of teeth within dentures. Once these limits have been established, DentaQuest should develop edits to identify and deny any claims exceeding these limits.
- Recover \$17,475 of the \$45,206 that Dr. Haghayegh was paid for undocumented dental procedures during the audit period (the remaining \$27,731 is addressed in various other findings in this report).
- Recover the \$6,342 that Dr. Haghayegh improperly received for dental restorations during the audit period. In addition, MassHealth and DentaQuest should develop an edit to ensure that dental restorations are paid for in accordance with state regulations.

In addition, Dr. Haghayegh should establish administrative procedures to ensure that all services are adequately documented in member files in accordance with state regulations in order to support claims submitted to MassHealth for payment.

Post-Audit Action

In response to this and our previous audit report on dental billings for detailed oral screenings (No. 2011-1374-3C), MassHealth has begun implementing many of the system edits and other suggested changes that we recommended in these reports. We have included specific details on those changes in the Audit Findings section of this report.

OVERVIEW OF AUDITED AGENCY

Under Chapter 118E of the Massachusetts General Laws, the Executive Office of Health and Human Services (EOHHS) is responsible for the administration of the state's Medicaid program, known as MassHealth. For the four-year period ended December 31, 2011, MassHealth paid Dr. Haghayegh \$912,167² for dental services she billed for relating to 357³ members, as detailed in the table below.

Calendar Year	Dental Claims	Cost of Dental Claims	Members Treated
2008	3,791	\$323,373	223
2009	3,428	298,054	139
2010	3,220	254,402	102
2011	<u>527</u>	<u>36,338</u>	58
Total	<u>10,966</u>	<u>\$912,167</u>	

During the period covered by our audit, EOHHS was under contract with Dental Services of Massachusetts, Inc. (DSM) to administer the Dental Program. DSM performs its contractual responsibilities through a subcontractor currently known as DentaQuest, LLC (DentaQuest). DentaQuest has both programmatic and administrative responsibilities, including, among other things, (1) dental provider network administration services, (2) customer services, (3) claims administration and processing, (4) contract administration and reporting, and (5) quality improvement. MassHealth's administrative responsibilities under the contract include reviewing DentaQuest's performance to verify compliance with the terms of the contract and any applicable laws, rules, and regulations.

Dr. Shahrzad Haghayegh, who owns and operates a private dental practice as well as Hancock Dental PC (Hancock Dental), participates in the Dental Program as a general dental practitioner. Both her dental practices are located at 522 Hancock Street, Wollaston, Massachusetts. Dr.

² At the time of the audit, MassHealth's Medicaid Management Information System reported payments to Dr. Haghayegh totaling \$912,167. However, dental providers have up to three months to submit dental claims for payment and may resubmit claims previously denied for payment by MassHealth. Therefore, the total payments that Dr. Haghayegh received during the audit period may have changed since our review.

³ This figure represents the number of members who received dental services during calendar years 2008 through 2011. In some cases, the same member may have received services in more than one year, but only be counted once in this cumulative figure. Therefore, it is not a sum of the number of members shown for each year in the table.

Haghayegh submitted claims to MassHealth for her services using both her private practice's and Hancock Dental's MassHealth billing identification numbers.

AUDIT SCOPE, OBJECTIVES, AND METHODOLOGY

In accordance with Chapter 11, Section 12, of the Massachusetts General Laws, the Office of the State Auditor (OSA) conducted an audit of Dr. Haghayegh's dental claims for detailed oral screenings and other dental procedures during the period January 1, 2008 through December 31, 2011.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our objectives were to determine whether dental claims filed by Dr. Haghayegh were accurate and properly supported by required documentation; services were delivered; and billings and payments were in compliance with applicable laws, rules, and regulations. To achieve our objectives, we reviewed applicable state and federal laws, rules, and regulations and the MassHealth Dental Program Office Reference Manual. We then obtained and analyzed Dr. Haghayegh's dental claims information contained in the state's Medicaid Management Information System, MassHealth's automated claims-processing system used to pay dental providers. We analyzed this data to identify (1) the amount and number of paid claims; (2) the type and frequency of services performed; and (3) service trends and billing anomalies indicative of potential fraud and abuse. In addition, we compared this information with related source documents, interviewed knowledgeable MassHealth officials about the data, and reviewed MassHealth's 2011 Claims Operations Internal Control Plan as well as its responses to the Office of the State Comptroller's Fiscal Year 2010 Internal Control Questionnaire, which included questions about information-technology security. We determined that the data were sufficiently reliable for the purposes of this report. We selected a judgmental sample of 40 member files for review, out of a population of 357 members, by selecting members with large numbers of detailed oral screenings and other dental procedures. We tested each member file to determine whether paid claims were properly authorized and supported by appropriate documentation, including dental charts, radiographs, prior authorization requests, and related billing forms and records.

At the conclusion of our audit, we provided Dr. Haghayegh with a draft copy of this report for her review and comments. We also consulted with MassHealth officials during our audit fieldwork. We considered and, in some cases, excerpted Dr. Haghayegh's and MassHealth's comments when preparing our report.

Dr. Haghayegh and Hancock Dental PC (Hancock Dental) were 2 of 12 dental practices originally scheduled for audit and inclusion in Audit Report No. 2011-1374-3C, titled "Office of Medicaid (MassHealth)—Review of Controls over Dentist Billings for Detailed Oral Screenings and Other Dental Procedures." However, Dr. Haghayegh refused to provide member records for our review because of her concerns over (1) a potential lack of due-process protections provided by MassHealth regulation 130 Code of Massachusetts Regulations 450 and (2) whether OSA's access to confidential patient information would violate the federal Health Insurance Portability and Accountability Act. As a result, OSA filed a civil action against Dr. Haghayegh and Hancock Dental in Massachusetts Superior Court (the Court) in November 2011. The Court, on May 17, 2012, issued a summary judgment that compelled the defendants to permit OSA to audit all of their records, including patient health records. Since the Court's decision was issued after the end of our original audit fieldwork, Dr. Haghayegh and Hancock Dental could not be included in Audit Report No. 2011-1374-3C, which resulted in a scope impairment noted in that audit report. This report provides the results of our audit of Dr. Haghayegh and Hancock Dental.

In addition to the audit findings detailed above, during our audit, OSA identified certain matters in Dr. Haghayegh's and Hancock Dental's member records and claims data that indicated potential fraud and abuse. These matters are not detailed in this report but instead have been referred to OSA's Bureau of Special Investigations (BSI) for further investigation and resolution. BSI is charged with investigating complaints of fraudulent claims or wrongful receipt of payment or services from public assistance programs. We have also referred this report to the Office of the Attorney General for further review and investigation.

AUDIT FINDINGS

1. UNALLOWABLE DETAILED ORAL SCREENINGS TOTALING \$89,249

According to MassHealth regulations, dental providers are allowed to bill for specialized oral examinations called detailed oral screenings only for members undergoing radiation treatment, chemotherapy, or organ transplants. However, during our audit period, Dr. Haghayegh submitted 1,429 claims to MassHealth and was paid \$89,249 for detailed oral screenings on members who, based on our review of dental records and comments made by this dental provider, were not undergoing radiation treatment, chemotherapy, or organ transplants. Consequently, the \$89,249 represents questionable costs to the Commonwealth.

MassHealth allows its dental providers to bill for detailed oral screenings they perform on certain members. The fee for detailed oral screenings includes payment for (1) comprehensive oral examinations, (2) consultations, (3) oral hygiene evaluations and instructions, (4) fluoride treatments and construction of fluoride trays, (5) salivary flow measures, and (6) follow-up examinations and salivary evaluations. According to MassHealth's regulations, dental providers can bill for detailed oral screenings only for members undergoing radiation treatment, chemotherapy, or organ transplants. Specifically, 130 Code of Massachusetts Regulations (CMR) 420.456(B)(1) states, "The MassHealth Agency pays for oral screenings for members undergoing radiation, chemotherapy, or both, or who are on long-term immunosuppressive therapy." The MassHealth Dental Program Office Reference Manual requires providers to bill for detailed oral screenings only for patients who meet this description. It requires them to maintain dental records for each patient, including a medical history that shows (among other things) whether a member is undergoing radiation treatment, chemotherapy, or organ transplants.

We selected a judgmental sample of 40 files, 31 of which were for members who received a detailed oral examination, from Dr. Haghayegh during our audit period. Based on our review of these records and subsequent correspondence provided by Dr. Haghayegh, we determined that none of the members in our sample were undergoing radiation treatment, chemotherapy, or organ transplants at the time of their examinations.

Although we did not review the medical history reports of all the members involved in these 1,429 claims, we question the total payments on these claims for two reasons. First, although the results of our sample test of 31 member files cannot be projected to the full set of 1,429 claims, 100% of the

detailed oral screenings in our sample were not in accordance with MassHealth's regulations for these services. We believe this constitutes a reasonable basis for questioning all 1,429 claims. Second, Dr. Haghayegh never indicated in her correspondence that a member's organ transplantation or oncological health played a role in her decision to submit claims for detailed oral screenings. We believe that this also makes it reasonable to question all of Dr. Haghayegh's billings for detailed oral screenings.

During the audit, MassHealth officials agreed that Dental Program regulations limit the use of detailed oral screenings to members undergoing radiation treatment, chemotherapy, or organ transplants.

Recommendations

As noted above, we question all of the 1,429 claims, totaling \$89,249, that Dr. Haghayegh submitted to MassHealth for detailed oral screenings during our audit period. Our review of member dental records and the correspondence provided by Dr. Haghayegh indicates that these billings were not for members undergoing radiation treatment, chemotherapy, or organ transplants as required by MassHealth regulations. Consequently, we recommend that MassHealth review the billings submitted by Dr. Haghayegh for detailed oral screenings and, if warranted, recover the \$89,249.

Auditee's Response

The attorney representing Dr. Haghayegh did not specifically respond to our concerns about payments that Dr. Haghayegh received for detailed oral screenings. However, he did express general concerns about our sampling strategy and qualifications, which we have presented and replied to below.

First, Dr. Haghayegh objects to the claims selection process used by [the Office of the State Auditor (OSA)], which was not based on a random sample as required by the 130 CMR 450.236, but instead, by the OSA's own admission, was the result of a "judgmental sample." This flaw goes not only to the very heart of the methodology applied by the OSA but also underscores the prejudicially targeted scope of the OSA's review. Indeed, by focusing specifically on the "judgmental sample" that plainly resides only in outlier cases, the findings are undeniably warped and unreliable.

Second, Dr. Haghayegh objects to the OSA's claimed "testing" of each member file. . . . As expressed in both our November 20, 2012 and July 2, 2012 letters, neither a licensed dentist nor dental assistant completed a review of Dr. Haghayegh's records nor of the supplemental information she later provided at the specific request of the OSA. Rather, a Certified Government Financial Manager conducted the review seeking guidance from a dentist if deemed necessary.

Such "testing" is inherently flawed: as the majority of errors found against Dr. Haghayegh allege that dental treatment was provided without medical necessity, it defies logic to believe this determination could possibly be made without a comprehensive review by a qualified dental professional.

Auditor's Reply

Contrary to Dr. Haghayegh's attorney's assertion, the requirements of 130 CMR 450.236 do not apply to sampling strategies used by OSA when auditing provider claims. This regulation applies to MassHealth when it is taking an action or administrative proceeding to determine or recover overpayments from providers. OSA is not bound by these requirements. Rather, OSA must follow sampling requirements specified in the US Government Accountability Office's published generally accepted government auditing standards (GAGAS). Regarding targeted/judgmental sampling strategies, Section 6.64 of GAGAS states,

When a representative sample is not needed, a targeted selection may be effective if the auditors have isolated risk factors or other criteria to target the selection.

Before selecting our sampling strategy, we applied data analytics to all of Dr. Haghayegh's paid claims, including her claims for detailed oral screenings, and isolated risk factors, service trends, and billing anomalies indicative of potential fraud and abuse. Based on the results of our data analytics, OSA determined that the most effective approach to investigating billing anomalies identified was through a targeted sample selection of Dr. Haghayegh's paid claims. Additionally, we reviewed each sampled member's dental records, including their medical history reports, for indications of oncological conditions or organ transplants. MassHealth regulation 130 CMR 420.456(B)(1) specifies that detailed oral screenings are only paid for members with such conditions. Based on our review of members' records, we determined that none of the members in our sample were undergoing radiation treatment, chemotherapy, or organ transplants at the time of their examinations. Also, written statements provided by Dr. Haghayegh indicated that, contrary to the MassHealth regulation, she did not consider a member's oncological condition when performing and submitting claims for detailed oral screenings. Therefore, our audit findings are well founded in that they were developed in accordance with GAGAS, supported by documented evidence, and confirmed by Dr. Haghayegh's own written statements.

Contrary to Dr. Haghayegh's attorney's assertion, only one of the eight audit findings (unnecessary fluoride treatments) brings into question the medical necessity of dental services provided by Dr. Haghayegh. For this finding, we used as criteria guidelines promulgated by the American Academy

of Pediatric Dentistry (AAPD). These guidelines recommend between two and four fluoride applications per year per member based on a member's caries risk and other factors. By applying these limits to the payments received by Dr. Haghayegh for member fluoride treatments, we were able to determine questionable payments based on a simple mathematical calculation (actual treatments less recommended treatments equals unnecessary treatments). Moreover, we used a conservative approach when making this determination by allowing four fluoride applications per year for members. The remaining seven findings involve payments that Dr. Haghayegh received that did not comply with service limits and recordkeeping requirements established by state regulations. Therefore, these findings do not require a dental professional to determine the medical necessity of dental treatment provided, but rather require an analytical review of paid claims and a basic understanding of recordkeeping to determine compliance with applicable regulations. Lastly, as needed, we sought guidance from MassHealth's Dental Program Director on these issues and obtained his comments, which are included in the appropriate sections of this report. Given that the Dental Program Director is a doctor of dental surgery, we considered his judgments on these matters sound based on his professional training and work experience.

MassHealth's Response

MassHealth agrees that Dr. Haghayegh is in violation of MassHealth regulations in billing the service code D0160 [for members undergoing radiation treatment, chemotherapy, or organ transplant]. During the audit period, in order to bill service code D0160 the provider was required to include a narrative documenting the medical necessity for the procedure with the claim. Medical necessity justification was limited to members receiving radiation treatment, chemotherapy, or organ transplants. We request that the Office of the State Auditor (OSA) share with MassHealth the claims level data on which it based its findings, to assure that any recoveries MassHealth pursues are not duplicative of overpayment recoveries currently in process. Once we receive such data, MassHealth will recover any overpayments in accordance with 130 CMR 450.237.

Pursuant to its Transmittal Letter DEN-87, effective July 1, 2012 [after the audit period, in response to OSA Audit Report No. 2011-1374-3C], MassHealth no longer limits billing of service code D0160 to members undergoing radiation treatment, chemotherapy, or organ transplant.

2. UNALLOWABLE ORAL EVALUATIONS TOTALING \$10,876

MassHealth pays claims for three types of routine oral evaluations for members; they are referred to as comprehensive, periodic, and limited oral evaluations. MassHealth regulations limit the frequency with which claims will be paid for such evaluations. During our audit period, Dr. Haghayegh billed and was paid \$10,876 for claims that exceeded the established limits for these services.

MassHealth regulation 130 CMR 420.422 limits the frequency with which MassHealth will pay dental providers for providing these oral evaluations, as follows:

- (A) Comprehensive Oral Evaluation. The MassHealth agency pays for a comprehensive oral evaluation once per member per provider. . . .
- (B) Periodic Oral Evaluation. The MassHealth agency pays for a periodic oral evaluation twice per member per calendar year. . . . This service is not covered on the same date of service as an emergency treatment visit. . . .
- (C) Limited Oral Evaluation. The MassHealth agency pays for a limited oral evaluation twice per member per calendar year. . . . A limited oral evaluation is not covered on the same date of service as an emergency treatment visit.

MassHealth officials stated that, in addition to the limits established by 130 CMR 420.422, dental providers should not bill for certain oral examinations, such as comprehensive oral evaluations, periodic oral evaluations, and emergency evaluations, on the same date of service for the same member. Multiple claims such as these would represent medically unnecessary dental procedures. During the audit period, Dr. Haghayegh submitted and was paid for 259 claims, totaling \$10,876, that did not comply with the limit established by MassHealth regulations. The following table identifies Dr. Haghayegh's claims for these evaluations that MassHealth paid for during our audit period and that exceeded the established limits:

Procedure	Claims	Amount
Comprehensive Oral Evaluation	1	\$ 37
Periodic Oral Evaluation	243	10,307
Limited Oral Evaluation	<u>15</u>	<u>532</u>
Total	<u>259</u>	<u>\$10,876</u>

Because DentaQuest, LLC's (DentaQuest's) claims-processing system did not include edits to detect and deny claims for oral examinations that violated the limits for these services established by state regulations, the Commonwealth unnecessarily reimbursed Dr. Haghayegh a total of \$10,876 for the services in question during the audit period.

Recommendations

MassHealth should recover the \$10,876 in unallowable payments made to Dr. Haghayegh for these oral evaluations during the audit period. We identified this same issue at other dental providers and

disclosed the problem in our previous audit report, No. 2011-1374-3C. Our recommendation, at that time, was for DentaQuest and MassHealth to “modify the system edits in place in the Dental Program’s claims processing system to effectively identify and deny claims that violate the limits for these procedures established by [MassHealth] regulations.” If MassHealth and DentaQuest have not instituted these edits, then we again recommend that they do so, in order to remedy this ongoing problem.

Auditee’s Response

The attorney representing Dr. Haghayegh provided the following excerpted comments:

Dr. Haghayegh disputes the Audit Findings that are based upon an assertion that “MassHealth officials stated that in addition to the limits established by 130 CMR 420.422, dental providers should not bill for certain oral examinations, such as comprehensive oral evaluation, periodic evaluations and emergency evaluations on the same date of service for the same member.” The Audit Findings state neither statutory nor regulatory support for this allegation and yet characterize it as a “requirement.”

Auditor’s Reply

Our audit finding was based solely on service limits established by MassHealth regulation 130 CMR 420.422, not the ancillary comment made by MassHealth officials. As detailed in the audit report, MassHealth has established 130 CMR 420.422 to limit the frequency and circumstances under which it will pay claims for member oral evaluations and emergency treatment visits. However, MassHealth did not have system edits in place to properly administer this regulation during the audit period. Consequently, Dr. Haghayegh was improperly paid \$10,876 for certain members’ oral evaluations that exceeded limits established by 130 CMR 420.422, which the Commonwealth should now recover.

MassHealth’s Response

Based on previous audit findings of the OSA, MassHealth’s dental third party administrator implemented system edits effective July 1, 2011, that do not allow oral evaluations to be paid for more than the established limit as stated in MassHealth regulations. MassHealth will recover any overpayments in accordance with 130 CMR 450.237.

3. UNNECESSARY FLUORIDE TREATMENTS TOTALING \$2,470

During our audit period, Dr. Haghayegh submitted and was paid for 95 claims, totaling \$2,470, for unnecessary fluoride treatments for MassHealth members. Specifically, Dr. Haghayegh submitted claims for either (1) applying two types of topical fluoride (e.g., fluoride gel, foam, varnish) on the

same members on the same day or (2) giving members fluoride treatments that exceeded annual levels recommended by the AAPD.⁴

The 130 CMR 420.424(B)(1)(a) states that MassHealth will pay for the following topical fluoride treatments:

Members Under Age 21. The MassHealth agency pays for topical fluoride treatment. Topical fluoride treatment consists of continuous topical application of an approved fluoride agent such as gels, foams, and varnishes, for a period shown to be effective for the agent. The MassHealth agency pays for treatment that incorporates fluoride with the polishing compound as part of the prophylaxis. . . .

Although MassHealth's regulations do not limit the types of fluoride a dental provider may apply or the annual levels for fluoride treatment, the AAPD recommends that children with moderate caries risk receive a professional topical fluoride treatment at least every six months and that those with high caries risk should receive professional fluoride applications more frequently (i.e., every three to six months). Therefore, the AAPD recommends that patients, depending on their caries risk, receive between two and four fluoride applications per year. AAPD's guidelines on fluoride treatments do not distinguish between types of topical fluoride (e.g., gel, foam, varnish) and recommend a maximum of four applications per year regardless of the type of fluoride used. Dr. Haghayegh submitted 90 claims, totaling \$2,340, for fluoride treatment that greatly exceeded the AAPD's recommendations. In addition, there were five instances (totaling \$130) of Dr. Haghayegh submitting claims for more than one type of fluoride treatment for the same member on the same day.

During our audit, we determined that the Dental Program's claims-processing system does not contain edits to identify and deny claims submitted by providers for multiple applications of topical fluoride on the same member on the same day. In addition, during the audit period, Dental Program regulations did not establish a yearly limit for member fluoride treatments. Therefore, DentaQuest did not include an edit in the claims-processing system to identify and deny excessive treatments. We discussed this matter with the Dental Program Director, who provided the following written comments about his planned actions to rectify the situation.

⁴ At the time of the audit, MassHealth had not established a limit on the number of fluoride applications a member could receive per year. Consequently, we relied on the AAPD recommendations on this matter, which the Dental Program Director provided. Because all the claims discussed in this finding were for members under age 21, pediatric-dentistry guidelines are relevant for all these claims.

MassHealth is in the process of developing and implementing frequency limitations of once per quarter on fluoride treatments based on AAPD accepted standards of care. Any treatments above the limit will be available when medically necessary under [Early and Periodic Screening, Diagnosis and Treatment] with [Prior Authorization].

Recommendations

MassHealth should recover the \$2,470 provided to Dr. Haghayegh for unnecessary fluoride treatments. In addition, we believe that MassHealth's planned action to develop frequency limitations for fluoride treatments will prevent similar problems from occurring in the future. Once MassHealth develops regulations limiting the frequency of fluoride treatments, DentaQuest should add edits to its claims-processing system to ensure compliance.

Auditee's Response

The attorney representing Dr. Haghayegh provided the following excerpted comments:

The Audit Findings do not identify the specific patients or encounters for which the OSA finds flaw in its calculation totaling \$2,470 of alleged overpayment for unnecessary fluoride treatments. Therefore Dr. Haghayegh incorporates by reference her objections dated November 20, 2012. Further answering, in each instance identified in her November 20, 2012 objections, the fluoride treatments were medically necessary and applied for the prevention of decay in a patient population that carries a high caries index. It is also notable that, per the OSA's own admission, "[a]t the time of the audit, MassHealth had not established a limit on the number of fluoride applications a member could receive per year" and therefore looks to "recommendations" of the American Academy of Pediatric Dentistry. . . . The OSA cannot possibly argue that Dr. Haghayegh violated a regulation that did not exist nor that "recommendations" can be the basis of a sanction. Further, it is critical to note that the Findings did not—because they cannot—claim that a review of the individual patient files did not support the medical necessity of these treatments.

Auditor's Reply

Contrary to Dr. Haghayegh's attorney's contention, on October 15, 2012, OSA provided Dr. Haghayegh with the specific names of seven members who received 95 questionable fluoride treatments during the audit period. We considered Dr. Haghayegh's comments on these cases in preparing this report.

We agree with Dr. Haghayegh's attorney that MassHealth had not established a limit on the number of fluoride applications a member could receive per year. Consequently, we relied on AAPD recommendations on this matter, which the MassHealth Dental Program Director provided. The mission of the AAPD is to advocate policies, guidelines, and programs that promote optimal oral health and oral healthcare for infants and children through adolescence, including those with special healthcare needs, not just for the average patient. AAPD recommendations take into account

members' caries risk assessments and dietary sources of fluoride. As noted in the audit report, AAPD recommends that children with high caries risk, such as those described by Dr. Haghayegh, receive professional fluoride applications every three to six months. Thus, the maximum number of treatments recommended by AAPD for children is four per year.

In analyzing Dr. Haghayegh's use of fluoride for members, we noted that one member received 53 fluoride treatments over a 12-month period. Based on AAPD recommendations, this member should have received only 4 fluoride treatments during this period. Dr. Haghayegh's use of fluoride treatment for this member conflicts with AAPD recommendations and appears to represent medically unnecessary treatment.

In addition, AAPD's website emphasizes that a child may face a condition called enamel fluorosis (defects in tooth enamel) if he or she gets too much fluoride during the years of tooth development. Consequently, we believe it is important to adhere to the AAPD recommendations for fluoride treatments to avoid causing these serious medical conditions.

MassHealth's Response

There was no frequency limitation on the service code D1203 [for fluoride treatments] for the dates of service the fluoride treatments were provided. Therefore, even if the frequency of the treatments exceeded the amount recommended by the American Academy of Pediatric Dentistry, claims for the treatments may have been within the parameters of MassHealth regulations. We request that the OSA share with MassHealth the claims level data on which it based its findings, to assure that any recoveries MassHealth pursues are not duplicative of overpayment recoveries currently in process. Once we receive such data, MassHealth will recover any overpayments in accordance with 130 CMR 450.237.

Effective October 1, 2013, a frequency limitation of once per quarter on fluoride treatment was implemented in the system based on American Academy of Pediatric Dentistry accepted standards of care. Any treatments above the limit will be available when medically necessary under [Early and Periodic Screening, Diagnosis and Treatment] with prior authorization. Additionally, MassHealth had already implemented system edits effective February 2011 that denied a claim billed with D1203 if D1206 [another type of fluoride treatment] was already paid for the same date and same member.

4. UNALLOWABLE DENTAL ENHANCEMENT FEES TOTALING \$3,271

Dr. Haghayegh submitted and was paid for 176 claims for dental enhancement fee payments, totaling \$3,271, during the audit period. However, based on the Dental Program's regulations, Dr. Haghayegh was not eligible for these payments.

MassHealth regulation 130 CMR 420.405(C) provides for payment of dental enhancement fees to Community Health Centers (CHCs) and Hospital-Licensed Health Centers (HLHCs) to enhance their practices—for instance, by increasing the capacity and volume of their dental services in order to improve access to covered dental services. Only CHCs and HLHCs are eligible to receive these fees; more specifically, in 114.3 CMR 14.02, the former Division of Health Care Finance and Policy⁵ stated that CHCs and HLHCs that have signed an agreement with MassHealth are allowed to submit claims for dental enhancement fees using Procedure Code D9450.

During the audit, MassHealth officials provided us with a list of all CHCs and HLHCs that had signed an agreement with MassHealth. Since Dr. Haghayegh and Hancock Dental PC were not included on MassHealth’s list of CHCs and HLHCs, they were not eligible to bill for dental enhancement fees during the audit period.

Because DentaQuest’s claims-processing system did not include edits to identify and deny claims for dental enhancement fees from non-CHCs and non-HLHCs, the Commonwealth unnecessarily reimbursed Dr. Haghayegh a total of \$3,271 for the services in question during the audit period.

Recommendations

MassHealth should recover the \$3,271 that we identified as unallowable payments made to Dr. Haghayegh for this service during the audit period. In addition, MassHealth should investigate all claims for dental enhancement fees to ensure that only CHCs and HLHCs have received payments for this procedure code. We also recommend that MassHealth and DentaQuest develop system edits in the Dental Program’s claims-processing system to effectively identify and deny claims submitted for Procedure Code D9450 by providers who are not CHCs or HLHCs.

Auditee’s Response

The attorney representing Dr. Haghayegh did not respond to this issue.

MassHealth’s Response

MassHealth agrees that Dr. Haghayegh is in violation of MassHealth regulations in billing the service code D9450, which only allows for dental enhancement fees to CHCs and HLHCs. MassHealth has reviewed all dental providers’ dental enhancement claims to ensure that such payments were made only to CHCs and HLHCs, and will pursue recovery of any overpayments.

⁵ The Division of Health Care Finance and Policy was the predecessor to the Center for Health Information and Analysis, which provides data and analysis to improve healthcare access in Massachusetts.

We also request that the OSA share with MassHealth the claims level data on which it based its findings, to assure that any recoveries from Dr. Haghayegh are not duplicative of overpayment recoveries currently in process. Once we receive such data, MassHealth will recover any overpayments in accordance with 130 CMR 450.237.

MassHealth's dental third party administrator implemented system edits effective November 30, 2011, that allow the dental enhancement fee to be paid only to contracted CHCs and HLHCs.

5. ILLEGIBLE MEMBER RECORDS

Our sample review of 40 member files showed that Dr. Haghayegh did not maintain patient files in accordance with MassHealth regulations. In 130 CMR 450.205(D) and 130 CMR 420.414(B), MassHealth requires dental providers to maintain legible medical records that offer clear evidence of service delivery and of the nature, extent, and necessity of member dental care. However, entries in the sampled files were illegible because of poor penmanship, alterations, white-outs, and cross-outs. In addition, Dr. Haghayegh did not maintain her service entries in chronological order, and some of the sample files contained notes on other members. The condition of the files made it impossible for us to verify the validity of many claims submitted by Dr. Haghayegh for payment.

MassHealth requires providers to fulfill recordkeeping and disclosure requirements listed in 130 CMR 450.205(D), as follows:

All records, including but not limited to those containing signatures of medical professionals authorizing services, such as prescriptions, must, at a minimum, be legible and comply with generally accepted standards for recordkeeping within the applicable provider type as they may be found in laws, rules, and regulations of the relevant board of registration, professional treatises, and guidelines and other information published, adopted, or promulgated by state or national professional organizations and societies.⁶

Providers must also follow recordkeeping requirements set forth in 130 CMR 420.414(B):

Dental Record. Payment by the MassHealth agency for dental services listed in 130 CMR 420.000 includes payment for preparation of the member's dental record. Services for which payment is claimed must be substantiated by clear evidence of the nature, extent, and necessity of care provided to the member. For all claims under review, the member's medical and dental records determine the appropriateness of services provided to members.

⁶ In 2010, the American Dental Association's Council on Dental Practice and the Division of Legal Affairs published *Dental Records*, which was designed especially for dentists and dental teams to provide helpful information about the dental record. The "How to Write in the Record" section says, "Do not leave blank lines between entries with the intent to add something at a later date. It could be construed as an alteration. If you remember something you wish to record at a later date, just make the entry chronologically and refer to the date of the visit in question."

Dr. Haghayegh is responsible for maintaining member records that clearly detail the nature, extent, and necessity of care provided to members. However, the condition of Dr. Haghayegh's records does not comply with state regulations, and it prevents an effective review of her claims. Although Dr. Haghayegh's paid claims are clearly identified in MassHealth's claims-processing system, without adequate supporting documentation for these claims, MassHealth cannot be sure that the services Dr. Haghayegh delivered were medically necessary and were actually delivered.

Recommendations

Dr. Haghayegh should take appropriate steps to ensure that her medical records are maintained in accordance with state regulations and support claims submitted to MassHealth for payment.

Auditee's Response

The attorney representing Dr. Haghayegh provided the following excerpted comments:

Dr. Haghayegh disputes that her records are illegible. To the contrary, the majority of the records are clear and, to a dentally trained eye, properly document the performance of services and the underlying medical necessity. As the OSA is well aware, Dr. Haghayegh bought this dental practice from a former provider and portions of the reviewed records had been created by that prior owner. Additionally, Dr. Haghayegh requests the OSA cite to any regulation that specifically mandates that all portions of the member record must be maintained in chronological order.

Auditor's Reply

As noted in the audit report, 130 CMR 420.414(B) requires that services for which payment is claimed must be substantiated by clear evidence of the nature, extent, and necessity of care provided to the member. This regulation was promulgated, in part, to ensure that independent third-party reviewers of dental records and related claims could determine the appropriateness of payments for services provided to members. Reviews of dental records and claims are not limited to "a dentally trained eye" as suggested by Dr. Haghayegh's attorney, but include reviews by physicians, attorneys, investigators, auditors, jurors, office workers, etc. Because the scope of the reviews and the individuals conducting them vary, dental records must be legible to all sets of eyes. The records maintained by Dr. Haghayegh were illegible because of many problems, including poor penmanship, alterations, white-outs, cross-outs, etc., not because of a lack of understanding of dental terminology or abbreviations as implied by Dr. Haghayegh's attorney.

Dr. Haghayegh informed OSA that she bought the dental practice from a former provider in 2005. However, our audit period covered January 1, 2008 to December 31, 2011, and Dr. Haghayegh only

provided copies of member files for that specific period. Therefore, the prior owner's portions of the records were not reviewed and are not relevant to this matter.

Although MassHealth has not developed a specific regulation requiring that service entries be maintained in chronological order, 130 CMR 450.205(D), which is applicable to all service providers, including dentists, requires providers to "comply with generally accepted standards for recordkeeping within the applicable provider type as they may be found in laws, rules, and regulations of the relevant board of registration, professional treatises, and guidelines and other information published, adopted, or promulgated by state or national professional organizations and societies." As described in the audit report, the American Dental Association's (ADA's) Council on Dental Practice and the Division of Legal Affairs published *Dental Records*, which advises that service entries be maintained in chronological order to provide continuity of care for the member. The ADA is the national professional organization for dentists. Therefore, in order for Dr. Haghayegh to comply with 130 CMR 450.205(D), she should maintain her member records in accordance with the guidance provided by the ADA, including maintaining member records in chronological order.

MassHealth's Response

Based on the reported findings, MassHealth agrees that Dr. Haghayegh appears to be in violation of MassHealth regulations. MassHealth regulations at 130 CMR 450.205(D) specifically require medical records to be legible and comply with generally accepted standards for recordkeeping within the applicable provider type.

6. UNALLOWABLE CLAIMS FOR DENTURE REPAIRS TOTALING \$24,336

MassHealth regulation 130 CMR 420.428(D) prohibits the replacement of dentures if the member's existing dentures are less than seven years old. However, Dr. Haghayegh circumvented this prohibition by allegedly replacing every tooth in 13 members' dentures because MassHealth regulations do allow for the replacement of individual teeth within dentures. She submitted claims and received payment for these repairs that totaled \$24,336 for these 13 members during the audit period. In OSA's opinion, Dr. Haghayegh's alternative approach to dentures replacement represents a deceptive billing practice, and therefore the claims she submitted for these alleged repairs represent unallowable costs to the Commonwealth.

MassHealth regulation 130 CMR 420.428(D) states that "the MassHealth agency does not pay for the replacement of dentures if the member's denture history reveals [that] the existing denture is less than seven years old."

During the audit, Dr. Haghayegh provided a written statement indicating that she chose to have each member's dentures repaired, including the replacement of every tooth, since the members were not eligible to receive new dentures.

While MassHealth allows providers to submit claims for the replacement of teeth within dentures, it has not established regulations detailing limits on this procedure. However, MassHealth officials stated that replacing every tooth in a set of dentures is not a common practice and is highly suspect.

Recommendations

MassHealth should make a determination on whether these billings were appropriate and, if not, recover the \$24,336 that Dr. Haghayegh received by circumventing MassHealth's regulations. In addition, MassHealth should establish service limits for the replacement of teeth within dentures. Once these limits have been established, DentaQuest should develop edits to identify and deny any claims exceeding these limits.

Auditee's Response

The attorney representing Dr. Haghayegh provided the following excerpted comments:

Dr. Haghayegh objects to the Audit Findings allegation that she "circumvented" the prohibition against the replacement of dentures every seven years by replacing individual teeth within the dentures. Once again, the Audit Findings do not identify the specific patients or encounters for which the OSA finds flaw in its calculation totaling \$24,336 of alleged overpayment for unallowable dentures repairs. Therefore Dr. Haghayegh incorporates by reference her objections dated November 20, 2012.

The medical records and the supporting explanations clearly evidence that the dentures in question were broken, in need of repair, and painful to the MassHealth member. Replacement of the broken teeth is a necessary service to which MassHealth members are entitled. By the OSA's own admission, MassHealth has not promulgated regulations or limitations on this care. In fact, due to MassHealth's own limitation of one set of dentures every seven (7) years, the only treatment available to MassHealth members who are suffered from broken, cracked and painful dentures is to replace individual teeth.

Auditor's Reply

Despite Dr. Haghayegh's objection, we still contend that she circumvented MassHealth's regulations regarding the replacement of dentures. During the audit, we provided the questionable claims to Dr. Haghayegh and requested that she comment on the services provided to the 13 members. Dr. Haghayegh's written response, dated November 20, 2012, indicated that all teeth were replaced in the member's dentures for reasons such as the following:

As a new set of dentures is only a covered service once every seven (7) years, the patient was not eligible for a new set at this time.

Provider was not permitted to make the patient a new set of dentures on 2/15/2010, as this service is only allowed once every seven years.

Replacing the dentures before the seven year period was not allowed and treatment which was rendered was the only coverage available to the patient at the time.

In OSA's opinion, Dr. Haghayegh's explanations illustrate her intention to circumvent MassHealth's regulations and substantiate our audit finding.

We agree with Dr. Haghayegh's attorney that the replacement of broken teeth is a necessary service to which MassHealth members are entitled. However, the attorney indicates that the only treatment available to MassHealth members who are suffering from broken, cracked, or painful dentures is to replace individual teeth. This is not true. MassHealth established specific procedure codes to be used to bill for complete or partial denture repair, such as D5510 ("Repair broken complete denture base"). Therefore, if a member's dentures were broken, cracked, or in need of repair, Dr. Haghayegh should have billed Procedure Code D5510 rather than D5520 ("Replace missing or broken teeth – complete denture [each tooth]"). That way, she would have been in compliance with MassHealth regulations, resulting in significant cost savings to the Commonwealth. Procedure Code D5510 provides for a \$79 payment for denture repairs, whereas Dr. Haghayegh received \$2,016 each time she billed MassHealth for replacing every tooth in a member's dentures.

In addition, we found that only 17 other dental providers billed MassHealth for Procedure Code D5520 during fiscal year 2011. These dental providers submitted claims that affected 30 members. Of these 30 members, 28 (93%) had 4 or fewer teeth replaced in their dentures. The other 2 members had 13 and 8 teeth replaced, respectively. This analogous data supports the MassHealth Dental Director's comment that replacing every tooth in a set of dentures is not a common practice and is highly suspect.

MassHealth's Response

Based on the reported findings, MassHealth agrees that Dr. Haghayegh appears to be in violation of MassHealth regulations. We request that the OSA share with MassHealth the claims level data on which it based its findings, to assure that any recoveries MassHealth pursues are not duplicative of overpayment recoveries currently in process. Once we receive such data, MassHealth will recover any overpayments in accordance with 130 CMR 450.237.

In addition, MassHealth will work with its dental third party administrator to review potential and alternative methods of detecting these anomalous billing practices and determine if edits can be implemented in the system to deny such claims.

7. DENTAL PROCEDURES TOTALING \$45,206 NOT DOCUMENTED IN MEMBER FILES

Dr. Haghayegh billed and received \$45,206 for dental visits and/or services that were not documented in our sampled member files. MassHealth regulations require providers to maintain adequate documentation to substantiate the nature, extent, and necessity of care for all claims submitted for payment. However, 15 of the 40 sampled member files lacked documentation to support member visits and/or services claimed by Dr. Haghayegh. Therefore, these claims represent unallowable costs to the Commonwealth.

MassHealth regulation 130 CMR 420.414(B) requires that dental providers maintain member dental records, as follows:

Payment by the MassHealth agency for dental services listed in 130 CMR 420.000 includes payment for preparation of the member's dental record. Services for which payment is claimed must be substantiated by clear evidence of the nature, extent, and necessity of care provided to the member. For all claims under review, the member's medical and dental records determine the appropriateness of services provided to members.

Additionally, MassHealth provides further recordkeeping and disclosure guidance in 130 CMR 450.205, as follows:

(A) The MassHealth agency will not pay a provider for services if the provider does not have adequate documentation to substantiate the provision of services payable under MassHealth. . . .

(B) All providers must maintain complete patient account records. Patient account records must include complete documentation of charges, indicate the date and amount of all debit and credit transactions, and support the appropriateness of the amounts billed and paid. . . .

(D) In no instance will the completion of the appropriate MassHealth claim, the maintenance of a copy of such claim, or the simple notation of service codes constitute sufficient documentation for the purpose of 130 CMR 450.205.

In total, for the 15 member files where we found documentation problems, Dr. Haghayegh submitted 865 claims for dental services that were not documented. These claims involved routine dental procedures including oral examinations, cleanings, radiographs (X-rays), restorations (dental fillings), and denture repairs. OSA was concerned about the large number of such claims found within a relatively small sample of files.

Recommendations

Dr. Haghayegh should establish administrative procedures to ensure that all services are adequately documented in member files in accordance with state regulations. In addition, MassHealth should recover \$17,475 of the total \$45,206 in question. This amount is reduced to account for the \$27,731 of these services (e.g., detailed oral screenings) that we have identified elsewhere in this report. Excluding their cost here prevents any double counting.

Auditee's Response

The attorney representing Dr. Haghayegh provided the following excerpted comments:

Dr. Haghayegh objects to the Audit Findings allegation that the audited medical records did not "maintain adequate documentation to substantiate the nature, extent, and necessity of care for all claims submitted for payment." Once again, the Audit Findings do not identify the specific patients or encounters for which the OSA finds flaw in its calculation totaling \$45,206 of alleged overpayment for inadequate records. Therefore Dr. Haghayegh incorporates by reference her objections dated November 20, 2012. Contrary to the OSA's claim, other than few, isolated dates of service, Dr. Haghayegh's records were complete and fulsome. Furthermore, Dr. Haghayegh requests clarification as to whether the claims totaling \$45,206 due to "inadequate documentation" are also the same claims for which the OSA claims are illegible. If so, such double-counting cannot stand and is an inaccurate and biased calculation.

Auditor's Reply

Contrary to Dr. Haghayegh's attorney's contention, Dr. Haghayegh's records are not complete, and this audit issue does not involve a few, isolated dates of service. During the audit, we provided Dr. Haghayegh with examples of member files that lacked adequate documentation to substantiate her billings. Dr. Haghayegh's written response to our questions about 3 of the 15 deficient files did not mitigate our concerns. In fact, for 2 of the member files, Dr. Haghayegh provided no response. For the third member, Dr. Haghayegh indicated that the undocumented service was billed in error. In addition, since this audit issue involved 865 claims, it does not reflect a "few, isolated dates of service" as stated by Dr. Haghayegh's attorney. Moreover, the 865 deficient claims were identified in 15 of the 40 sampled member files. This indicates a pervasive problem that warrants MassHealth's further review of the issue. As described in our recommendation, we took measures to eliminate any duplicate counting of deficiencies before determining potential amounts due the Commonwealth.

MassHealth's Response

Based on the reported findings, MassHealth agrees that Dr. Haghayegh appears to be in violation of MassHealth regulations. We request that the OSA share with MassHealth the claims level data on which it based its findings, to assure that any recoveries MassHealth pursues are

not duplicative of overpayment recoveries currently in process. Once we receive such data, MassHealth will recover any overpayments in accordance with 130 CMR 450.237.

In addition, MassHealth will work with its dental third party administrator to review potential and alternative methods of detecting these anomalous billing practices and determine if edits can be implemented in the system to deny such claims.

8. UNALLOWABLE TOOTH RESTORATIONS TOTALING \$6,342

Dr. Haghayegh billed and was paid for unallowable tooth restorations totaling \$6,342 during the audit period. MassHealth regulations state that it will only pay claims for restoring the same tooth surface once per year. Dr. Haghayegh received payments that exceeded these limits as defined in 130 CMR 420.425. Consequently, the claims that Dr. Haghayegh submitted for these restorations represent unallowable costs to the Commonwealth.

MassHealth regulation 130 CMR 420.425 limits payments that dental providers may receive for restoring members' teeth, as follows:

The MassHealth agency pays for restorative services for members under age 21 and DDS clients only in accordance with the service descriptions and limitations in 130 CMR 420.425(A) through (E) The MassHealth agency does not pay for restorations replaced within one year of the date of completion of the original restoration when replaced by the same provider. The initial payment includes all restorations replaced due to defects or failure less than one year from the original placement.

(A) Amalgam Restorations

. . . .

(2) The MassHealth agency pays for only one amalgam restoration per member per tooth surface per year. Occlusal surface restorations, including all occlusal pits and fissures, are payable as a one-surface restoration whether or not the transverse ridge on an upper molar is left intact.

(B) Resin-Based Composite Restorations

. . . .

(3) The MassHealth agency pays for only one resin-based composite restoration per member per tooth surface per year.

During the audit period, Dr. Haghayegh submitted a total of 98 claims, affecting 29 members, for dental restorations that exceeded billing limits established by state regulations. For example, Dr. Haghayegh restored the same surfaces on nine teeth twice for one member, resulting in \$858 of unallowable costs, as detailed in the table below.

Date of Service	Tooth Number	Tooth Surfaces*	Cost	Unallowable Cost
5/30/2008	6	L, I, M, F	\$ 136	N/A
7/28/2008	6	L, I, M	\$ 108	\$ 108
7/28/2008	22	F, D, I, M	\$ 136	N/A
7/29/2008	22	L	\$ 67	N/A
9/29/2008	22	F, I, L	\$ 108	\$ 108
7/28/2008	23	F, D, I, M	\$ 136	N/A
7/29/2008	23	L	\$ 67	N/A
9/29/2008	23	F, I, L	\$ 108	\$ 108
7/28/2008	24	F, D, I, M	\$ 136	N/A
7/29/2008	24	L	\$ 67	N/A
9/29/2008	24	F, I, L	\$ 108	\$ 108
7/28/2008	25	F, D, I, M	\$ 136	N/A
7/29/2008	25	L	\$ 67	N/A
9/29/2008	25	F, I, L	\$ 108	\$ 108
7/28/2008	26	F, D, I, M	\$ 136	N/A
7/29/2008	26	L	\$ 67	N/A
9/29/2008	26	F, I, L	\$ 108	\$ 108
7/28/2008	27	F, D, I, M	\$ 136	N/A
7/29/2008	27	L	\$ 67	N/A
9/29/2008	27	F, I, L	\$ 108	\$ 108
7/28/2008	28	D, B, L, M	\$ 106	N/A
7/29/2008	28	L	\$ 51	\$ 51
7/28/2008	29	D, B, L, M	\$ 106	N/A
7/29/2008	29	L	\$ 51	<u>\$ 51</u>
Total				<u>\$ 858</u>

* The abbreviations used for tooth surfaces are as follows: (L) = Lingual, (I) = Incisal, (M) = Mesial, (F) = Facial, (D) = Distal, and (B) = Buccal.

In the above table, Dr. Haghayegh's claims contain repetitive patterns in the Date of Service and Tooth Surfaces columns. For example, on July 28, 2008, the same four tooth surfaces (F, D, I, and M) were restored on six different teeth (Nos. 22, 23, 24, 25, 26, and 27). A similar pattern occurred for this member on July 29, 2008 and September 29, 2008. We also identified similar patterns in claims for the other 28 members for whom Dr. Haghayegh restored teeth and received payments contrary to MassHealth's regulations. In OSA's opinion, these billing patterns are highly questionable.

DentaQuest did not have edits in place to detect and deny claims for restorations that exceeded limits established by MassHealth regulations. Consequently, Dr. Haghayegh received unallowable payments for dental restorations totaling \$6,342 during the audit period.

Recommendation

MassHealth should recover the \$6,342 that Dr. Haghayegh improperly received for dental restorations during the audit period. In addition, MassHealth and DentaQuest should develop a system edit to ensure that dental restorations are paid for in accordance with state regulations.

Auditee's Response

The attorney representing Dr. Haghayegh provided the following excerpted comments:

Finally, Dr. Haghayegh objects to the Audit Findings allegation that her claims reflect a "repetitive pattern" that is "highly questionable." Once again, the Audit Findings do not identify the specific patients or encounters for which the OSA finds flaw in its calculation totaling \$6,342 of alleged overpayment for unallowable tooth restorations. Therefore Dr. Haghayegh incorporates by reference her objections dated November 20, 2012.

Auditor's Reply

We agree with Dr. Haghayegh's attorney that details regarding this audit finding have not been provided to Dr. Haghayegh. However, MassHealth's regulations leave no room for interpretation regarding payments for tooth restorations. MassHealth will only pay dental providers to restore a member's tooth surface once per year. Even if Dr. Haghayegh had informed us in writing that the additional restorations were medically necessary in order to save a member's tooth, the payments made to Dr. Haghayegh would have exceeded this annual limit. Therefore, they would not have complied with state dental regulations and would have constituted an unallowable cost to the

Commonwealth. As noted in the report, MassHealth and DentaQuest need to develop edits to prevent similar unallowable payments from occurring in the future.

MassHealth's Response

Based on the reported findings, MassHealth agrees that Dr. Haghayegh appears to be in violation of MassHealth regulations. MassHealth will recover any overpayments in accordance with 130 CMR 450.237.

MassHealth's dental third party administrator has edits in the system that does not allow restoration replacements within one year of the date of completion of the original surface on the tooth. However, based on the reported findings, MassHealth will request that its contractor review the system to ascertain that the edits are working correctly.