



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

Making government work better

Official Audit Report – Issued February 10, 2017

Office of Medicaid (MassHealth)—Review of Dental Periapical Radiograph Claims Submitted by Our Dentist

For the period July 1, 2010 through June 30, 2015





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Making government work better

February 10, 2017

Mitesh Brahmbhatt, DMD
Our Dentist
747 Memorial Drive
Chicopee, MA 01020

Dear Dr. Brahmbhatt:

I am pleased to provide this performance audit of claims that Our Dentist submitted to the Office of Medicaid for dental periapical radiographs. This report details the audit objectives, scope, methodology, findings, and recommendations for the audit period, July 1, 2010 through June 30, 2015. My audit staff discussed the content of this report with you, and your comments are reflected in this report.

I would also like to express my appreciation to you and your staff for the cooperation and assistance provided to my staff during the audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "SMB", written in a cursive style.

Suzanne M. Bump
Auditor of the Commonwealth

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EXECUTIVE SUMMARY

The Office of the State Auditor (OSA) receives an annual appropriation for the operation of a Medicaid Audit Unit to help prevent and identify fraud, waste, and abuse in the Commonwealth's Medicaid program. The state's Medicaid program,¹ known as MassHealth, is administered by the Executive Office of Health and Human Services through the Division of Medical Assistance. 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 US Department of Health and Human Services, administer the Medicare program and work with state governments to administer state Medicaid programs.

OSA has conducted an audit of dental periapical² radiograph claims paid to Our Dentist for the period July 1, 2010 through June 30, 2015. During this period, MassHealth paid Our Dentist approximately \$13,480 to provide periapical radiographs for 447 MassHealth members. The purpose of this audit was to determine whether Our Dentist billed MassHealth for appropriate periapical radiographs and whether it documented them in member dental records in accordance with applicable MassHealth regulations.

The audit was conducted as part of OSA's ongoing independent statutory oversight of the state's Medicaid program. Several of our previously issued audit reports disclosed significant weaknesses in MassHealth's claim-processing system, which resulted in millions of dollars in unallowable and potentially fraudulent claim payments. As with any government program, public confidence is essential to the success and continued support of the state's Medicaid program.

Based on our audit, we have concluded that Our Dentist did not properly document its reasons for taking dental periapical radiographs for MassHealth members totaling approximately \$3,720 during the audit period. However, based on Our Dentist's comments on the need for these periapical radiographs, substantiated by our review of the member dental records, we concluded that the radiographs, though not adequately documented, were appropriately taken.

1. This program is administered under Chapter 118E of the Massachusetts General Laws.

2. A periapical radiograph shows the whole tooth from the top to where the tooth is secured in the jaw.

Below is a summary of our findings and recommendations, with links to each page listed.

Finding 1 Page 8	Our Dentist did not properly document its reasons for taking dental periapical radiographs totaling approximately \$3,720 for MassHealth members.
Recommendation Page 9	Our Dentist should ensure that the reasons periapical radiographs are taken are documented in the dental records.

OVERVIEW OF AUDITED ENTITY

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 annually provides access to healthcare services to approximately 1.9 million eligible low- and moderate-income children, families, seniors, and people with disabilities. In fiscal year 2016, MassHealth paid healthcare providers more than \$14 billion, of which approximately 50%³ was funded by the Commonwealth. Medicaid expenditures represent approximately 39% of the Commonwealth's total annual budget.

According to Section 420.401 of Title 130 of the Code of Massachusetts Regulations, MassHealth covers medically necessary dental services provided to its members. For the five-year period July 1, 2010 through June 30, 2015, MassHealth paid approximately \$47 million to dental-service providers for dental periapical radiographs for 756,016 members, as detailed below.

Dental Periapical Radiographs

Fiscal Year	Amount Paid	Members Served	Number of Claims
2011	\$ 8,360,619	228,005	496,739
2012	8,509,557	233,194	507,734
2013	8,573,631	237,707	518,359
2014	10,050,624	277,127	659,508
2015	11,485,847	319,917	763,843
Total	<u>\$46,980,278</u>	<u>1,295,950*</u>	<u>2,946,183</u>

* Of these 1,295,950 members, the unduplicated count is 756,016.

Our Dentist, owned by Dr. Mitesh Brahmbhatt, is a certified MassHealth dental-service provider in Chicopee. It received a total of \$622,736 from MassHealth during the audit period, as detailed below.

3. During the federal government's fiscal year 2016, the Federal Medical Assistance Percentage for Massachusetts was 50%. This percentage is the amount that the federal government contributes to joint federal-state programs.

Services Provided by Our Dentist

Type of Service Provided	Amount Received
Restorative	\$ 191,252
Diagnostic	187,592
Preventive	146,887
Exodontic	52,917
Endodontic	17,284
Other	12,515
Prosthodontic	10,178
Periodontal	4,111
Total	<u>\$ 622,736</u>

Our audit focused on dental periapical radiograph claims for services provided to MassHealth members. Specifically, we selected dental procedure codes D0220 (periapical, first film) and D0230 (each additional periapical). These claims totaled \$13,480 during the audit period and are included in the Diagnostic service category above.

Dental Periapical Radiographs

A periapical radiograph shows the whole tooth from the top to the jaw. When taken independently (not as one of a periodic full set of radiographs), it is used to locate problems with a tooth and the surrounding areas. MassHealth regulations allow periapical radiographs to be taken by a dental-service provider either as part of a full-mouth series of radiographs (allowed once every three years) or to evaluate a specific dental problem independently. MassHealth regulation 130 CMR 420.423(3)(B) details the specific conditions under which MassHealth will pay for periapical radiographs that are taken independently of a full-mouth set of radiographs, including instances of suspected infection, change, or anomaly when an extraction is anticipated.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor (OSA) has conducted a performance audit of dental periapical radiograph claims for services provided to MassHealth members by Our Dentist for the period July 1, 2010 through June 30, 2015.

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.

Below is our audit objective, indicating the question we intended our audit to answer, the conclusion we reached regarding our objective, and where the objective is discussed in the audit findings.

Objective	Conclusion
1. Did Our Dentist bill appropriately for periapical radiographs provided to MassHealth members, and did it maintain documentation in member dental records to properly support these claims?	Partially; see Finding <u>1</u>

Auditee Selection

As stated above, MassHealth paid dental-service providers approximately \$47 million for dental periapical radiographs during our audit period. Because of the significant amount of these expenditures, as well as prior OSA reports that have identified unallowable claims for periapical radiographs, OSA is conducting a series of audits focusing on providers of such radiographs. We performed data analytics on these periapical radiograph claims to identify (1) the frequency and cost of dental periapical radiographs and (2) service trends and billing anomalies indicating potential fraud, waste, and abuse. Our data analytics identified the providers who billed periapical radiographs most and least often. We determined that of all the radiographs⁴ Our Dentist took during the audit period, periapical radiographs represented an average of 30%, whereas all other dental providers' periapical radiographs averaged 51.5% of their total radiograph claims. We selected Our Dentist for audit because it had a lower-than-average percentage of

4. Dental radiographs include bitewing, panoramic, and periapical radiographs.

periapical radiograph claims and we wanted to compare its practices to those of providers that had a higher-than-average percentage.

Methodology

To achieve our audit objective, we reviewed applicable state and federal laws, rules, and regulations; MassHealth Dental Bulletins and Transmittal Letters; the MassHealth All Provider Manual; and the MassHealth Dental Manual. Also, we requested, and received when available, the following documentation from Our Dentist:

- employee manual
- policies and procedures for processing claims
- patient dental records

We gained an understanding of the internal control we deemed significant to our audit objective: Dr. Brahmhatt's review of claims before they were submitted to MassHealth for payment. However, because Dr. Brahmhatt did not document the review, we could not test the effectiveness of this control. We still achieved our audit objective by increasing the number of claims tested to reflect the highest level of risk.

We selected a statistically random sample of periapical radiographs—60⁵ of the 808 claims made by Our Dentist during the audit period—to determine whether they were billed appropriately. To make this determination, we reviewed members' dental records for the sampled claims, including presenting problems, services planned and provided, the actual periapical radiographs (which we inspected visually), and dental and billing histories. For this statistical sample, we projected⁶ the error to the population in order to estimate the potential overpayment.

In a previous audit (No. 2015-8020-140), OSA assessed the reliability of the MassHealth data in the Medicaid Management Information System, which is maintained by the Executive Office of Health and Human Services. As part of this assessment, OSA reviewed existing information, tested selected system controls, and interviewed knowledgeable agency officials about the data. Additionally, we performed validity and integrity tests on all claim data, including (1) testing for missing data; (2) scanning for duplicate

5. We determined the sample size using a confidence level of 90% and a tolerable error rate of 10.22%.

6. Our projection yields a range of potential overpayments. The lower limit—the most conservative amount—is discussed throughout our audit finding.

records; (3) testing for values outside a designated range; (4) looking for dates outside specific time periods; and (5) tracing a sample of claims queried to source documents. Based on the analysis conducted, we determined that the data obtained were sufficiently reliable for the purposes of this report.

Based on the evidence gathered to form a conclusion on our objective, we believe that all audit work, in particular the work referred to above, taken as a whole is relevant, valid, reliable, and sufficient and that it supports the finding and conclusions reached in this report.

At the conclusion of our audit, OSA gave Our Dentist a draft copy of this report for review and comment. Our Dentist chose not to provide written comments to this report; however, we discussed the content of the report with the auditee, whose verbal comments we considered when preparing this final report.

DETAILED AUDIT FINDINGS WITH AUDITEE'S RESPONSE

1. Our Dentist did not properly document its reasons for taking dental periapical radiographs totaling approximately \$3,720 for MassHealth members.

During the audit period, Our Dentist submitted claims, and was paid \$3,720, for dental periapical radiographs that were not properly documented. We received information from Dr. Mitesh Brahmbhatt on the need for these periapical radiographs and substantiated it by reviewing member dental records. We concluded that although the reasons for taking these radiographs were not documented in member files, they were administered in situations that were appropriate according to MassHealth regulations. However, without proper documentation of the need for these periapical radiographs in members' files, members will not have a complete dental history if they need to see a new dental provider.

We tested a statistically random sample of 60 out of 808 claims made by Our Dentist for dental periapical radiographs during the audit period in order to project the potential error to the population. Of these 60 claims, 24 did not have adequate supporting documentation in the members' dental records. These 24 claims were for dental periapical radiographs performed when the associated dental records did not indicate the reason the periapical radiographs were performed (e.g., as part of a triennial full-mouth series of radiographs or because of dental pain; anticipated extractions; or any suspected infection, periapical change, or anomaly). Dr. Brahmbhatt stated that periapical radiographs were taken for patients with complaints or for children with tooth-eruption concerns. These issues were not always documented in members' dental records, but we found that the radiographs were not routinely performed during dental exams for MassHealth members, were for children experiencing periapical change or for patients with complaints, and were typically limited to one radiograph. Moreover, these radiographs were needed to determine whether extraction was necessary. Therefore, we concluded that although the periapical radiographs were not adequately documented, they were appropriately taken.

We projected our results to the population of claims for dental periapical radiographs using a confidence level of 90% and a tolerable error rate of 10.22%. The result was a projected overpayment of \$3,720⁷ for the audit period for periapical radiographs that were not adequately documented in members' dental records. The problems we identified during our audit of Our Dentist indicate a need for the dental provider

7. Based on our statistical sampling approach, we are 90% confident that the overpayment for the audit period ranges from \$3,720 to \$6,386.

to improve its recordkeeping but do not, in our opinion, warrant the recoupment of any funds, since the Office of the State Auditor (OSA) determined that the radiographs in question were appropriately taken.

Authoritative Guidance

MassHealth has issued regulations under Section 420.423(B)(3) of Title 130 of the Code of Massachusetts Regulations (CMR) that state the specific conditions under which it will pay for periapical radiographs. It pays for these radiographs (1) as part of a triennial full-mouth series of radiographs that also includes bitewing⁸ radiographs or (2) under the following circumstances:

Periapical films may be taken for specific areas where extraction is anticipated when infection, periapical change, or an anomaly is suspected, or when otherwise directed by the MassHealth agency.

In addition, 130 CMR 420.414(B) requires dental-service providers to maintain sufficient documentation in members' dental files to fully support dental claims:

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.

Reasons for Inadequate Documentation

Dr. Brahmbhatt explained that the lack of documented reasons for periapical radiographs in members' dental records was an administrative oversight.

Recommendation

Our Dentist should ensure that the reasons periapical radiographs are taken are properly documented in members' dental records.

8. Bitewing radiographs show the crowns of upper and lower teeth in a particular area of the mouth and are used to identify cavities.

MassHealth's Response

MassHealth provided the following response to our original draft report, which identified a total of \$5,010 in unallowable claims for periapical radiographs. OSA reduced this amount to \$3,720 to reflect the most conservative estimate of improperly documented claims.

- 1. MassHealth agrees with [OSA's] finding that Our Dentist did not properly document its reasons for taking dental periapical radiographs totaling approximately \$5,010 for MassHealth members.*
- 2. MassHealth will work with its Dental third party administrator, DentaQuest, and Our Dentist to develop processes to document the reasons for taking periapical radiographs, in addition to providing education on MassHealth policies and recordkeeping requirements. In order to ensure Our Dentist adheres to MassHealth rules and implements proper billing procedures going forward, MassHealth will monitor their claims utilizing data analytics to detect possible overutilization of radiographs. Based on the monitoring results, MassHealth may also request additional records or conduct unannounced on-site audits.*