

DAVID Y. IGE
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STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

Med-QUEST Division
Administration
P.O. Box 700190
Kapolei, Hawaii 96709-0190

June 3, 2016

MEMORANDUM

MEMO NO.
QI-1606

TO: QUEST Integration (QI) Health Plans

FROM: Judy Mohr Peterson, PhD *JMP*
Med-QUEST Division Administrator

SUBJECT: PAYMENT SUSPENSION TO PROVIDER

The purpose of this memorandum is to notify all QUEST Integration Health Plans that all Medicaid payments to Jennifer Grace Shaw, LMHC - NPI #1164753752 have been temporarily suspended as of June 3, 2016. A copy of the notice sent to the provider is attached for your reference.

The Federal regulation at 42 C.F.R. § 455.23 requires that Medicaid payments be suspended pending the investigation of a "credible allegation of fraud" against any individual or entity, unless the state determines that there is good cause not to suspend payments. At present, the Med-QUEST Division is unaware of any circumstances that constitute good cause as enumerated in such federal regulations. This suspension applies to all pending or scheduled Medicaid payments.

The QUEST Integration Health Plans will be notified if the payment suspension may be lifted, or if Ms. Shaw's status as a Medicaid provider shall be changed. Should the payment suspension be lifted, Ms. Shaw would be entitled to receive any payments which were held in abeyance during the suspension period.

Should you have any questions, please contact Kurt Kresta at (808) 692-8072 or by email at kkresta@dhs.hawaii.gov.

Attachment

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Med-QUEST Division
Finance Office
P.O. Box 700190
Kapolei, Hawaii 96709-0190

June 3, 2016

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
7016 0600 0001 1928 4937

Ms. Jennifer Grace Shaw, LMHC
1450 South Kihei Road #B201
Kihei, Hawaii 96753

Re: Notice of Suspension of Medicaid Payments

Dear Ms. Shaw:

The State of Hawaii, Department of Human Services, Med-QUEST Division (MQD), is suspending Medicaid payments to Jennifer Grace Shaw, LMHC effective as of June 3, 2016. This suspension applies to all of your Medicaid payments. Federal law requires that Medicaid payments be suspended pending the investigation of a "credible allegation of fraud" against any individual or entity, unless the state determines that there is good cause not to suspend payments (42 C.F.R. § 455.23). The allegations include billing services not rendered, falsifying dates of service, and up-coding of procedure codes billed.

Such conduct is also grounds for sanctions under Hawaii Administrative Rules pursuant, most clearly:

§17-1736-33(c): DHS may suspend or terminate a provider from the Medicaid program for one or more of the following reasons:

(7) Any fraud against the Medicaid program or abuse of health care services as defined in this section.

In accordance with this notice to impose a sanction, the state sanction rules allow the Department to suspend or withhold payments to a provider on pending, or subsequently received claims, pending a final disposition. In this case, the fraud allegations place all payments to you in question.

Pursuant to federal law, the suspension of payments based on a credible allegation of fraud is temporary, and will end upon the determination that there is insufficient evidence of fraud, or

Ms. Jennifer Grace Shaw, LMHC
June 3, 2016
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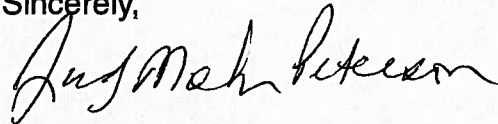
upon the completion of legal proceedings related to the alleged fraud (42 C.F.R. § 455.23(c)(1)).

The State may also find good cause not to impose, or continue, suspension of payments, or to suspend payments only in part, pursuant to 42 C.F.R. § 455.23(e)-(f). At present, the Department is unaware of any present circumstances that constitute good cause not to suspend payments as enumerated in such federal regulations.

Pursuant to §17-1736-33, Hawaii Administrative Rules, you have the right to request an administrative hearing if you do not agree with our findings and action. A written request for an administrative hearing must be received in the Department of Human Services, Administrative Appeals Office (AAO), P.O. Box 339, Honolulu, Hawaii 96809, within 30 days from the date of this letter and include all documents and written evidence that you wish to be considered at the hearing.

If you have questions, you may contact Kurt Kresta, Investigator at (808) 692-8072 or by email at kkresta@dhs.hawaii.gov.

Sincerely,



Judy Mohr Peterson, PhD
Med-QUEST Division Administrator

c: QI Health Plans
MFCU
HCSB
FO/FIS