



Texas Health and Human Services Office of Inspector General Audit and Inspections Division

Follow-Up Assessment on Previously Issued Audit Recommendations

Co-Treatment Therapy Billing at Rebound Sports and Physical Therapy
AUD-24-004

February 29, 2024

Dear Blake Smith:

The Texas Health and Human Services (HHS) Office of Inspector General Audit and Inspections Division (OIG Audit) conducted a follow-up assessment of the previously issued audit report titled "Co-Treatment Therapy Billing: Rebound Sports and Physical Therapy" to determine the implementation status of an audit recommendation previously issued by OIG Audit.

Based on the results of our assessment, OIG Audit determined that Rebound Sports and Physical Therapy (Rebound) resolved the issue identified in the previous audit with actions other than OIG Audit originally recommended. As a result, OIG Audit did not reissue the recommendation from the previous audit. OIG Audit communicated less-significant observations to Rebound in a separate written communication.

OIG Audit thanks management at Rebound for their responsiveness, cooperation, and assistance during this assessment. The attachment to this letter contains additional details on the assessment.

Sincerely,

Anton Dutchover, CPA
Deputy Inspector General of Audit and Inspections

Attachment

cc: Cecile Erwin Young, HHS Executive Commissioner
Raymond Charles Winter, HHS Inspector General

Background

The previously issued audit report was published on August 26, 2021. The objective of the original audit was to determine if Rebound performed co-treatment services and if so, billed for co-treatment services in accordance with applicable statutes, rules, and procedures.


The scope of the original audit included physical, speech, and occupational claims paid by Superior HealthPlan and UnitedHealthcare to Rebound from September 1, 2018, through May 31, 2020. The audit included a review of Rebound's internal controls as well as testing of controls that were significant within the context of the audit objectives.

Attachment

Figure 1 summarizes the implementation status of the recommendation included in the previously issued audit report, "Co-Treatment Therapy Billing: Rebound Sports and Physical Therapy," [AUD-21-028](#), issued August 26, 2021.

Instead of implementing the audit recommendation, Rebound elected to discontinue co-treatment for all therapies and performed all therapies separately for each patient. This alternate action allowed Rebound to address the issue without directly implementing the recommendation. In Figure 1, the implementation status "fully implemented–alternate action taken" for the recommendation means Rebound successfully implemented changes that resolved the reported finding using a process, system, or policy.

Figure 1: Implementation Status of the Audit Recommendation to Rebound

| Implementation Status | Recommendation |
|---|--|
|  Fully Implemented Alternate Action Taken | <p>As required by the Texas Medicaid Provider Procedures Manual (TMPPM) and managed care organization expectations, Rebound should:</p> <ul style="list-style-type: none">• Designate a primary therapist when performing co-treatment.• Only submit claims for the primary therapist.• Indicate co-treatment was performed by including the U3 modifier on co-treatment claims. <p>Additionally, Rebound should ensure changes to billing requirements, as detailed in TMPPM and posted on the Texas Medicaid and Healthcare Partnership (TMHP) website, are identified and incorporated into its claims billing process.</p> |

Source: OIG Audit

Objective, Scope, Methodology, Criteria, and Standards

Objective and Scope

The objective of this follow-up assessment was to determine the implementation status of OIG Audit's previously issued recommendation, which included testing the effectiveness of management activities designed to remediate the identified issues.

The scope of the assessment was limited to reviewing the implementation status of the recommendation identified in the previously issued audit report using potential co-treatment claims submitted during the period from September 1, 2021, through August 31, 2023.

Methodology

OIG Audit issued an engagement letter to Rebound on December 13, 2023, providing information about the upcoming assessment, and conducted testing from December 13, 2023, through February 15, 2024.

OIG Audit reviewed the previously issued audit report and performed a follow-up assessment of the reported finding, recommendation, and management response.

Data Reliability

To assess the reliability of data provided by Rebound, OIG Audit (a) compared the paid encounter data to supporting documentation and (b) interviewed staff who were knowledgeable about the data. Rebound provided medical records it used to document therapy services. OIG Audit determined that the data was sufficiently reliable for the purposes of this assessment.

Testing Methodology

To determine the effectiveness of management activities designed to remediate identified audit findings, OIG Audit (a) interviewed relevant staff at Rebound and (b) examined patient medical records to determine whether co-treatment was conducted.

Criteria

OIG Audit used the following criteria to evaluate the information provided:

- Texas Medicaid Provider Procedures Manual, Vol. 2, "Physical Therapy, Occupational Therapy, and Speech Therapy Services Handbook," § 4.4 (Sept. 2021, as amended)
- Texas Medicaid Provider Procedures Manual, Vol. 2, "Physical Therapy, Occupational Therapy, and Speech Therapy Services Handbook," § 5.5.6 (Sept. 2021, as amended)

Auditing Standards

Generally Accepted Government Auditing Standards

OIG Audit conducted the original audit in accordance with generally accepted government auditing standards (GAGAS).

In accordance with GAGAS, providing audit, investigative, and oversight-related services—such as periodic audit recommendation follow-up engagements and reports—does not involve a GAGAS engagement. OIG Audit planned and performed this follow-up assessment to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions included in this report based on the assessment objectives.