

Audit Report

Electroencephalogram (EEG) Services in Texas Medicaid

Cook Children's Medical Center

February 14, 2024

OIG Report No. AUD-24-003



**Inspector
General**

Texas Health
and Human Services



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

Electroencephalogram (EEG) Services in Texas Medicaid

Cook Children's Medical Center

February 14, 2024

Dear Kent Smith:

Cook Children's Medical Center's (Cook Children's) claims submitted for 30 ambulatory EEG service encounters tested complied with selected Texas Medicaid Provider Procedures Manual (TMPPM) regulations.

The Texas Health and Human Services (HHS) Office of Inspector General Audit and Inspections Division (OIG Audit) reviewed medical records to determine whether Cook Children's performed and submitted claims for EEG set-up. The audit selected 30 encounters from a risk-based sample of ambulatory EEG encounters between November 1, 2020, and August 31, 2021, for which no charges for a set-up procedure were included on the claim for the date of the EEG test in the sample. Our testing identified no issues or opportunities for improvement for this audit.

The attachment to this letter contains a summary of audit results and details on the objective, scope, methodology, criteria, and standards.

Sincerely,

Kacy J. VerColen, CPA, CIGA
Chief of Audit and Inspections

Attachment

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

Background

During state fiscal year 2021 (September 1, 2020, through August 31, 2021), Cook Children's provided selected EEG services to Texas Medicaid members. Cook Children's received reimbursements totaling nearly \$3.3 million for selected EEG services to Texas Medicaid members.

OIG Audit conducted this audit to determine whether Cook Children's delivered and submitted claims for selected services in accordance with applicable regulations.

Attachment

Section 1: Summary of Audit Results

Cook Children’s Medical Center’s (Cook Children’s) claims submitted for 30 ambulatory EEG services were correct and complied with selected Texas Medicaid Provider Procedures Manual (TMPPM) regulations.

Background

Typical ambulatory EEG studies include submitting claims for one unit of set-up and any appropriate combination of the corresponding technical and professional procedure codes.¹ In an EEG procedure, the set-up involves a medical professional, usually a technician, attaching small metal discs called electrodes to the scalp. These electrodes measure electrical activity in the brain and are used to diagnose brain disorders such as epilepsy, brain tumors, and sleep disorders.

Medical providers submit claims to managed care organizations (MCOs), which reimburse the claims. MCOs submit encounter data to the Texas Health and Human Services Commission (HHSC), to coordinate and manage Medicaid services.

Encounters Without Set-Up Codes Were Submitted Correctly

OIG Audit reviewed medical records supporting 30 EEG encounters, which represent paid claims. These records included hospital bills, patient’s reason for visit, visit information, imaging performed, and other activities of the EEG

EEG Service Types

Routine EEGs typically take around 20 to 40 minutes to complete and are often done with standard “activation procedures” that increase the chance of capturing seizures. To record seizure activity, a longer EEG recording may be needed.

Ambulatory EEGs allow for longer monitoring outside an office or a hospital setting. This test can record brain activity over several days.

¹ Texas Medicaid Provider Procedures Manual, Vol. 2, “Medical and Nursing Specialists, Physicians, and Physician Assistants Handbook,” §§ 9.2.25.2 (Nov. 2020 through Aug. 2021).

technicians. Auditors used these records to determine whether ambulatory EEG set-up was performed with the corresponding test.

Testing showed that Cook Children's performed set-up for all sampled EEGs. In the instances in which Cook Children's did not submit claims for set-up, medical records showed that technicians performed set-up for a routine EEG within a day prior to the ambulatory test, which covered set-up for both EEGs.

Methodology

OIG Audit issued an engagement letter to Cook Children's on October 24, 2023, providing information about the upcoming audit, and conducted fieldwork from October 24, 2023, through January 12, 2024.

To accomplish the audit objectives, auditors:

- Conducted interviews with Cook Children's management and staff responsible for policies, procedures, and processes relating to Medicaid claims submission practices.
- Performed selected tests of the relevant evidence.

OIG Audit selected a risk-based, nonstatistical sample of 30 ambulatory EEG encounters. This sample design was chosen to address specific risk factors identified in the population. The sample items were generally not representative of the population; therefore, it would not be appropriate to project the test results to the population.

Objective and Scope

The audit objective was to determine whether claims submitted by Cook Children's Medical Center for ambulatory EEG tests were in compliance with selected TMPPM regulations.

The audit scope covered the period from November 1, 2020, through August 31, 2021.

Data Reliability

OIG Audit also reviewed Cook Children’s system of internal controls, including components of internal control,² within the context of the audit objectives. OIG Audit assessed the reliability of data provided by Cook Children’s by tracing sample documentation support to UnitedHealthcare Community Plan, Cook Children’s Health Plan, and Superior HealthPlan encounters and interviewing relevant Cook Children’s personnel knowledgeable about the systems and data. OIG Audit determined that the data was sufficiently reliable for the purpose of this audit.

Criteria

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

- Texas Medicaid Provider Procedures Manual, Vol. 2, “Medical and Nursing Specialists, Physicians, and Physician Assistants Handbook,” § 9.2.25.2 (2020 through 2021)

Auditing Standards

Generally Accepted Government Auditing Standards

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.

² For more information on the components of internal control, see the United States Government Accountability Office’s *Standards for Internal Control in the Federal Government*, (Sept. 2014), <https://www.gao.gov/assets/gao-14-704g.pdf> (accessed Jan. 30, 2024).

Section 2: Resources for Additional Information

The following resources provide additional information about the topics covered in this report.

For more information on Cook Children’s Medical Center:

Homepage, Cook Children’s Medical Center,
<https://www.cookchildrens.org/> (accessed Dec. 19, 2023)

For more information about EEG service types:

Epilepsy Foundation, “Which EEG Type Is Best”?
<https://www.epilepsy.com/diagnosis/eeg/which-eeg-type-best-you>
(accessed Jan. 9, 2024)

Epilepsy Foundation, “Ambulatory EEG,”
<https://www.epilepsy.com/diagnosis/eeg/ambulatory> (accessed Jan. 9, 2024)

Section 3: Report Team and Distribution

Report Team

OIG staff members who contributed to this audit report include:

- Anton Dutchover, CPA, Deputy Inspector General of Audit and Inspections
- Cody Redmond, CPA, CFE, Audit Director
- Steven Arnold, CFE, Audit Project Manager
- Mutiu Adeyemi, CISA, Senior Auditor
- Shaun Craig, Staff Auditor
- Kimberly Howell, Associate Auditor
- James Hicks, CISA, Quality Assurance Reviewer
- Mo Brantley, Senior Audit Operations Analyst

Report Distribution

Health and Human Services

- Cecile Erwin Young, Executive Commissioner
- Kate Hendrix, Chief of Staff
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- Nicole Guerrero, Chief Audit Executive
- Emily Zalkovsky, Chief Medicaid and CHIP Services Officer, Medicaid and CHIP Services

- Camisha D. Banks, Deputy Executive Commissioner for Managed Care
- Dana L. Collins, Deputy Executive Commissioner for Operations, Medicaid and CHIP Services

Cook Children's Medical Center

- Kent Smith, Vice President, Compliance

Section 4: OIG Mission, Leadership, and Contact Information

The mission of OIG is to prevent, detect, and deter fraud, waste, and abuse through the audit, investigation, and inspection of federal and state taxpayer dollars used in the provision and delivery of health and human services in Texas. The senior leadership guiding the fulfillment of OIG's mission and statutory responsibility includes:

- Raymond Charles Winter, Inspector General
- Susan Biles, Principal Deputy Inspector General
- Kacy J. VerColen, Chief of Audit and Inspections
- Eugenia Krieg, Chief of Staff, Chief of Policy and Performance
- Erik Cary, Chief Counsel
- Diane Salisbury, Chief of Data Reviews
- Matt Chaplin, Chief of Operations
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- Online: <https://oig.hhs.texas.gov/report-fraud-waste-or-abuse>
- Phone: 1-800-436-6184

To Contact OIG

- Email: oig.generalinquiries@hhs.texas.gov
- Mail: Texas Health and Human Services
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- Phone: 512-491-2000