

Inspections Report

# Telemonitoring Services

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**Prior Authorizations**

**April 29, 2021**  
**OIG Report No. INS-21-004**

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**Inspector  
General**

Texas Health  
and Human Services



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

# TELEMONITORING SERVICES

## *Prior Authorizations*

April 29, 2021

Dear Mr. Terry Westropp:

The Texas Health and Human Services (HHS) Office of Inspector General Audit and Inspections Division (OIG Inspections) has completed an inspection to determine whether fee-for-service telemonitoring provider services were consistent with selected state requirements including Texas Administrative Code, policy, and procedures. OIG Inspections requested prior authorization documentation for 90 unique Texas Medicaid members from Texas Medicaid and Healthcare Partnership (TMHP) to determine whether the documentation was completed with all required information and signatures. Additionally, the inspection team reviewed the telemonitoring claim information to test whether (a) the prior authorization number and diagnosis on the claim matched the approved prior authorization documentation, (b) the claim date was during the approved prior authorization time frame, and (c) the correct procedure codes were used for both the physician and telemonitoring provider.

A review of TMHP's claims data and prior authorization documentation indicated that fee-for-service telemonitoring services (a) contained required information and appropriate procedure codes and (b) matched the information on the prior authorization. The attachment to this letter contains additional details on this inspection.

Sincerely,

Audrey O'Neill, CIA, CFE, CGAP  
Chief of Audit and Inspections

Attachment

cc: Cecile Erwin Young, HHS Executive Commissioner  
Sylvia Hernandez Kauffman, HHS Inspector General

### **Background**

Telemonitoring services require patient health information to be remotely monitored on a schedule and transmitted to a licensed home and community support services agency or a hospital. The main purpose of telemonitoring is to track daily vital signs for patients with chronic high-risk conditions to prevent major health issues before they occur. Telemonitoring fee-for-service claims totaled \$30 million for calendar year 2019 and \$15 million for the first six months of 2020.

During the scope of the inspection, the COVID-19 pandemic began to effect Texas and the process for providers ensuring clients continued to receive needed services changed. The prior authorizations approved through the portal system were systematically extended for an additional 90 days.

# ATTACHMENT

## Section 1: Summary of Inspection Results

OIG Inspections tested records for a total of 90 unique personal care numbers (PCNs) provided by the Office of Inspector General (OIG) Fraud, Waste, and Abuse Research and Analytics Division. The inspection did not identify exceptions to the Texas Administrative Code, Texas Medicaid Provider Procedures Manual, or Texas Health Human Services Commission Standard Operating Procedures requirements.

Medicaid clients with a diagnosis of diabetes or hypertension who exhibit two or more risk factors meet Texas Administrative Code requirements for home telemonitoring service eligibility. TMHP provides policies and procedures in the Texas Medicaid Provider Procedures Manual to guide telemonitoring providers and physicians when providing the service. The manual details the requirements for performing telemonitoring services, the approval timeframe, and requirements for submitting telemonitoring claims for reimbursement.

Based on an initial review of telemonitoring claims, the majority of claims were for hypertension and diabetes and therefore, OIG Inspections focused on these two claim types. The physician submits a signed and dated prior authorization form to the telemonitoring service provider to start the process of starting or continuing the telemonitoring service. The physician and the telemonitoring provider must use the appropriate telemonitoring procedure code for the diagnosis of hypertension or diabetes to receive reimbursement. TMHP approves the prior authorization for a 60-day period, and the telemonitoring provider must resubmit the prior authorization at the end of the 60-day period for the telemonitoring service to continue.

The scope of the inspection was January 1, 2019, through June 30, 2020. Since the COVID-19 pandemic began to effect Texas in March 2020, the prior authorization process was changed to increase flexibility for clients to continue to receive needed services. TMHP issued three bulletins during the inspection to extend prior authorizations: on March 31, 2020, April 9, 2020, and June 30, 2020. The bulletin dated March 31, 2020, said, “The extended authorizations will contain the same proportional amount and frequency as was authorized in the original prior authorization.”<sup>1</sup> The initial 90-day extension and the subsequent extensions of the prior authorization allowed additional claims to be submitted using the expired

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<sup>1</sup> TMHP, “Prior Authorization Requests Extended Due to COVID-19 Public Health Emergency” (posted Mar. 31, 2020), <https://www.tmhp.com/news/2020-03-31-prior-authorization-requests-extended-due-covid-19-public-health-emergency> (accessed Jan. 28, 2021).

prior authorization number without additional documentation for the extended period. The June 30, 2020, bulletin continued the relaxed documentation requirements for prior authorizations.<sup>2</sup>

The clients' medical records and eligibility information are kept in a TMHP database called Phoenix and were systematically updated to show the new expiration date of the prior authorization. TMHP provided OIG Inspections with examples of the Phoenix documentation. For period March 31, 2020, through June 30, 2020, the inspection team reviewed the extended prior authorizations and determined telemonitoring claims were paid appropriately based on the extended prior authorization rules.

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<sup>2</sup> TMHP, "Update to 'Multiple Medicaid COVID-19 Flexibilities Extended Through July 31, 2020,'" (posted June 30, 2020), <https://www.tmhp.com/news/2020-06-30-update-multiple-medicaid-covid-19-flexibilities-extended-through-july-31-2020> (accessed Mar. 30, 2021).

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## Section 2: Objective, Scope, Methodology, Criteria, and Standards

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OIG Inspections completed an inspection of prior authorizations for telemonitoring provider services.

### Objective and Scope

OIG Inspections conducted an inspection of telemonitoring prior authorizations. The inspection objective was to determine whether the prior authorization for telemonitoring claims met selected requirements of the Texas Administrative Code, the Texas Medicaid Provider Procedures Manual, and the Texas Health and Human Services Commission Standard Operating Procedures. The inspection scope was January 1, 2019, through June 30, 2020.

### Methodology

The inspection team reviewed policy requirements for fee-for-service telemonitoring, including Texas Administrative Code and policies and procedures for prior authorizations and claims.

Telemonitoring fee-for-service claims totaled \$30 million for calendar year 2019 and \$15 million for the first six months of 2020. OIG Inspections used a statistically valid random sample of 90 unique Texas Medicaid members from two populations provided by the OIG Fraud, Waste, and Abuse Research and Analytics Division to identify clients with telemonitoring claims paid during the scope of the inspection. The first sample contained 30 members chosen from the population of claims paid during calendar year of 2019. The second sample contained 60 members from the population of claims paid from January to June 2020. OIG Inspections requested prior authorization documentation for the 90 members from TMHP to determine whether (a) the prior authorizations contained the required information and (b) the information on the submitted claims matched the information on the prior authorizations and had the appropriate telemonitoring procedure code.

The inspection team tested the following elements of the prior authorization form for completeness:

- Client Information: Name of client, Medicaid ID, and date of birth
- Requested Telemonitoring Services: Diagnosis is hypertension or diabetes, timeframe of telemonitoring services, frequency of telemonitoring services, and client had at least two risk factors
- Physician and Telemonitoring Information: Physician and provider name listed, physician and provider Texas Provider Identifier or National

Provider Identifier entered, signature of the physician and telemonitoring provider, and date of signature of the physician and telemonitoring provider

The Inspection team tested the paid telemonitoring claim against the prior authorization to determine whether the following information matched:

- Prior authorization number on claim matches approved prior authorization
- Date of claim was within dates of prior authorization
- Procedure code matches diagnosis on prior authorization
- Modifier number matches frequency on prior authorization

### **Criteria**

OIG Inspections used the following criteria to evaluate the population provided:

- 1 Tex. Admin Code § 354.1434 (2013)
- Texas Medicaid Provider Procedures Manual, Vol. 2, “Telecommunication Services Handbook” § 3.4 and §3.5 (2019 and 2020)
- Texas Health and Human Services Commission Standard Operating Procedure, “SOP 0087 Manual COVID-19 Extensions,” (2020)

### **Standards**

OIG Inspections conducts inspections of Texas HHS programs, systems, and functions. Inspections are designed to be expeditious, targeted examinations into specific programmatic areas to identify systemic trends of fraud, waste, or abuse. Inspections typically result in observations and may result in recommendations to strengthen program effectiveness and efficiency. OIG Inspections conducted the inspection in accordance with *Quality Standards for Inspection and Evaluation* issued by the Council of the Inspectors General on Integrity and Efficiency.

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## Section 3: Report Team

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### Report Team

OIG staff members who contributed to this inspection report include:

- Kacy VerColen, CPA, Assistant Deputy Inspector General of Audit and Inspections
- Bruce Andrews, CPA, CISA, Director of Inspections
- James Aldridge, Manager of Inspections
- Pat Kremplin, Lead Inspector
- Benjamin Munoz, Inspector
- Mo Brantley, Senior Audit Operations Analyst

### Report Distribution

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- Stephanie Stephens, Deputy Executive Commissioner, Medicaid and CHIP Services
- Michael Anaya, Associate Commissioner for Medicaid Operations, Medicaid and CHIP Services

#### Texas Medicaid and Healthcare Partnership (TMHP)

- Terry Westropp, Chief Executive Officer
- Michelle Gonzalez, HMDO Operations Manager
- Danielle Simonsen, Provider/Operations Infrastructure Lead

- John Spann, Chief Financial Officer
- Larry Castillo, Medicaid Audit External Audit Coordinator
- Jesus Amezuca, Medicaid Audit Supervisor

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## Section 4: OIG Mission, Leadership, and Contact Information

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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:

- Sylvia Hernandez Kauffman, Inspector General
- Susan Biles, Chief of Staff
- Dirk Johnson, Chief Counsel
- Christine Maldonado, Chief of Operations and Workforce Leadership
- Juliet Charron, Chief of Strategy
- Steve Johnson, Chief of Investigations and Reviews
- Audrey O'Neill, Chief of Audit and Inspections

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- Phone: 1-800-436-6184

### To Contact OIG

- Email: [OIGCommunications@hhsc.state.tx.us](mailto:OIGCommunications@hhsc.state.tx.us)
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