

OIG REPORT 08-02

**APPENDICES A AND B WERE REMOVED DUE TO
PRIVACY ACT CONCERNS**



October 31, 2007

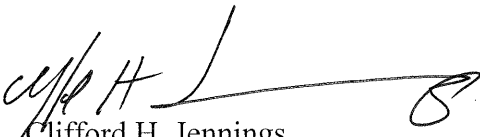
Memorandum for: The Federal Co-Chair
ARC Executive Director

Subject: OIG Report 08-02
Review of Selected Health Providers
And J-1 Visa Waiver Physicians
In Ohio

Attached is the report dealing with the review of compliance with the ARC J-1 Visa Waiver program requirements by providers and J-1 physicians.

The report contains six recommendations of which four have been responded to sufficiently for those recommendations to be considered closed. There are two recommendations that remain open pending the receipt of further information.

The attached report includes two appendices' that include the names of the physicians and sponsors. As this information may be considered privacy act information, please do not release this report without clearance from the General Counsel.


Clifford H. Jennings
Inspector General

Attachment

cc: General Counsel

MEMORANDUM REPORT ON REVIEW OF
APPALACHIAN REGIONAL COMMISSION
J-1 VISA WAIVER PROGRAM

REVIEW OF SELECTED HEALTH PROVIDERS
AND J-1 VISA WAIVER PHYSICIANS IN OHIO

Period of Random Site Visits: August 20, 2007 through August 24, 2007

CAUTION: *Certain information contained herein is subject to disclosure restrictions under the Freedom of Information Act, 5 U.S.C. 522 (b) (4). Distribution of this report should be limited to Appalachian Regional Commission and other pertinent parties.*

Report Number: 08-02

Date: October 29, 2007

**MEMORANDUM REPORT ON REVIEW OF
APPALACHIAN REGIONAL COMMISSION
J-1 VISA WAIVER PROGRAM**

**REVIEW OF SELECTED HEALTH PROVIDERS
AND J-1 VISA WAIVER PHYSICIANS IN OHIO**

Period of Random Site Visits: August 20, 2007 through August 24, 2007

Prepared By:

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TO: Appalachian Regional Commission (ARC)
Office of Inspector General (OIG)

FROM: Tichenor & Associates, LLP
Louisville, Kentucky

REPORT FOR: The Federal Co-Chairman
ARC Executive Director
OIG Report Number: 08-02

SUBJECT: Memorandum Review Report on Appalachian Regional
Commission (ARC) J-1 Visa Waiver Program – Review of
Selected Health Providers and J-1 Visa Waiver Physicians in Ohio.

PURPOSE: The purpose of our review was to determine the compliance with ARC J-1 Visa Waiver program requirements and that J-1 physicians perform primary care services in an Appalachian Health Profession Shortage Area (HPSA) for 40 hours per week.

BACKGROUND: This review was undertaken as part of a review of J-1 Visa Waiver program operations in the Appalachian Region.

The J-1 Visa Waiver program provides a waiver of the requirement for a foreign physician to return to his/her home country after completion of medical training in the United States. The ARC participates as a Federal Entity sponsor to assist Appalachian Region communities in providing health care services to medically underserved areas. The applicable ARC policies and procedures require J-1 physicians to practice 40 hours of primary care per week in a designated HPSA in the Appalachian Region. The ARC program requires the physician to serve at least 3 years (unless the state has a longer period). There is no prohibition on J-1 physicians working extra hours or practicing subspecialties after fulfilling primary care requirements.

Although preliminary responsibilities for reviewing J-1 Visa Waiver requests, including supporting documentation, justifications of need, program oversight, and reporting have been delegated to the state health agencies, ARC retains the authority to act on waiver requests and to ensure compliance with program objectives and requirements.

SCOPE: We performed a review of the program as described in the Purpose above. Our review was based on the terms of the ARC Federal Co-Chair's J-1 Visa Waiver Policy and on the application of certain agreed-upon procedures previously discussed with the ARC OIG. Specifically, we determined if the physicians were providing medical care in accordance with the approved practices. Our results and recommendations are based upon those procedures. These review procedures were performed in accordance with applicable Government Auditing Standards.

RESULTS: During the period August 20, 2007 through August 24, 2007, unannounced visits to ten physicians located in Ohio were performed. The purpose of the visits was to verify the practices and locations of the physicians with J-1 Visa Waivers. The results of the visits were as follows:

1. Physician Deceased

Proper internal controls include systems to collect and report relevant information accurately and timely.

One of the physicians we attempted to visit has been deceased since February 2006. In a follow-up phone call to ARC, it was noted that ARC was aware of the death of the physician but had no way to indicate this in the J-1 physician database other than in a "comments" field, which does not print out when reports are generated. Hence, the report we used to select J-1 physicians in Ohio for visitation included this physician. (See Appendix B – Summary of Findings)

Recommendation:

We recommend that ARC modify its J-1 physician database to easily show any deceased physician.

ARC's Response:

ARC stated that they will work with the database manager to determine the feasibility of our recommendation and that in the future they will review the comments sections and note any extraordinary information on the reports requested. (See Appendix C – ARC's Response)

Auditor's Comment:

ARC has agreed to work with the database manager to determine the feasibility of our recommendation. As a result, this recommendation is considered closed.

2. Physician not Providing Service at the Approved Location

The ARC Federal Co-Chair's J-1 Visa Waiver Policy states that the physician must agree to provide primary medical care for at least forty hours per week in a designated HPSA in the Appalachian Region.

At one of the locations we visited, we were informed by office staff that the physician had never worked at that location. It was also noted that there was no J-1 Placement Verification Form in the file sent to us by ARC. (See Appendix B – Summary of Findings)

A search on the internet indicated that the physician was currently practicing for the approved employer in a nearby non-HPSA location. A telephone call to that office confirmed that the physician was indeed practicing at the non-HPSA location.

Recommendation:

We recommend that ARC, in conjunction with Ohio state officials, review the status of the physician and take corrective action to ensure the physician is in compliance with the ARC Federal Co-Chair's J-1 Visa Waiver Policy.

We also recommend that ARC take steps to ensure that a J-1 Placement Verification Form is received from each physician and that follow-up inquiries are made if not received in timely manner.

ARC's Response:

ARC stated that they received a letter of explanation regarding the ineligible practice site of the physician and that the physician will begin practice at the approved site within 30 days. (See Appendix C – ARC's Response)

Auditor's Comment:

ARC has taken steps to ensure that the physician is practicing at the approved site in compliance with the ARC Federal Co-Chair's J-1 Visa Waiver Policy. However, ARC did not respond to the second part of our recommendation: that they take steps to ensure that a J-1 Placement Verification Form is received from each physician and that follow-up inquiries are made if not received in a timely manner. As a result, we continue to make this recommendation.

3. Physician Providing Services at Another Location in Addition to Approved Location

The ARC Federal Co-Chair's J-1 Visa Waiver Policy states that the physician must agree to provide primary medical care for at least forty hours per week in a designated HPSA in the Appalachian Region.

In one case, the physician we visited was providing services at the approved location and at another location in the vicinity of the approved location. In both cases the services were being provided in an eligible area; three days a week at the approved location and two days a week at the other location. (See Appendix B – Summary of Findings)

Recommendation:

We recommend that ARC, in conjunction with Ohio state officials, obtain an updated work schedule from the physician's employer and determine if the physician is in compliance with the ARC Federal Co-Chair's J-1 Visa Waiver Policy.

ARC's Response:

ARC, in conjunction with Ohio state officials, has obtained information from the physician's sponsor that they are not able to retain the physician at the approved practice site and are determining the possibility of transferring the physician. ARC stated that once a conclusion to this matter has been reached they will notify the auditor of the results. (See Appendix C – ARC's Response)

Auditor's Comment:

ARC stated that once a conclusion to this matter has been reached they will notify the auditor. As a result, we continue to make this recommendation.

4. Physician not Providing Approximately 40 Hours of Primary Care Per Week

The ARC Federal Co-Chair's J-1 Visa Waiver Policy states that the physician must agree to provide primary medical care for at least forty hours per week in a designated HPSA in the Appalachian Region.

At one of the locations we visited, the physician claimed to work at the office for three hours per day, four days a week, with an additional five hours per day spent at the hospital and two hours per day of administrative work.

The amount of time spent at the hospital seems excessive compared to the number of hours spent seeing patients at the physician's office. (See Appendix B – Summary of Findings)

Recommendation:

We recommend that ARC, in conjunction with Ohio state officials, review the current status of the physician and determine if the physician is in compliance with the ARC Federal Co-Chair's J-1 Visa Waiver Policy.

ARC's Response:

ARC has obtained a current work schedule for the physician and determined that the physician is in compliance with ARC policy. (See Appendix C – ARC's Response)

Auditor's Comment:

ARC has determined that the physician is in compliance with the ARC Federal Co-Chair's J-1 Visa Waiver Policy. As a result, this recommendation is considered closed.

5. Treatment not Provided to All Medicaid Patients

The ARC Federal Co-Chair's J-1 Visa Waiver Policy states that the facility or practice sponsoring the physician must agree to provide health services to individuals without discriminating against them (a) they are unable to pay for those services or (b) payment for those health services will be made under Medicare or Medicaid; and, a notice must be posted in a conspicuous location in the patient waiting area at the practice site notifying patients of the charges for services as required in this policy.

In one instance, the location we visited had a sign posted indicating that they participate with only one of the Medicaid Managed Care programs and would only see Medicaid patients that have coverage through that program. (See Appendix B – Summary of Findings)

Recommendation:

We recommend that ARC, in conjunction with Ohio state officials, review the current status of treatment not being provided to all Medicaid patients and determine if the sponsor is in compliance with the ARC Federal Co-Chair's J-1 Visa Waiver Policy.

ARC's Response:

In response to our recommendation ARC contacted state officials in Ohio. As a result, the State has issued a letter to all J-1 Visa Waiver sponsors in Ohio to ensure that they properly post notices that the facility or practice sponsoring the physician must agree to provide health services to individuals without discriminating against them because (a) they are unable to pay for those services or (b) payment for those health services will be made under Medicare and Medicaid. (See Appendix C – ARC's Response)

Auditor's Comment:

ARC, in conjunction with Ohio state officials, has taken steps to ensure that all J-1 Visa Waiver sponsors in Ohio are in compliance with the ARC Federal Co-Chair's J-1 Visa Waiver Policy. As a result, the recommendation is considered closed.

6. Lack of Notice Posted in Patient Waiting Area of Availability of Service to Medicare, Medicaid, and Medically Indigent Patients

The ARC Federal Co-Chair's J-1 Visa Waiver Policy states that the facility or practice sponsoring the physician must agree to provide health services to individuals without discriminating against them because (a) they are unable to pay for those services or (b) payment for those health services will be made under Medicare or Medicaid; and, a notice must be posted in a conspicuous location in the patient waiting area at the practice site notifying patients of the charges for services as required in this policy.

Of the eight locations we visited where the J-1 physician is currently providing services, all of the employers had sliding fee scales for indigent patients; however, none of the employers had notices posted in the patient waiting area notifying patients of the charges for services, as required. Additionally, in seven of the locations we had issues with the notices for Medicare and Medicaid patients: in three of the locations there was no notice posted regarding the treatment of Medicare and Medicaid patients, in two of the locations the posted notices only mentioned the availability of treatment for Medicaid patients, and in two locations the notices regarding the treatment of Medicare and Medicaid patients were posted in patient treatment rooms, not the patient waiting area. (See Appendix B – Summary of Findings)

Recommendation:

We recommend that ARC, in conjunction with Ohio state officials, ensure that the above employers properly post notices of the availability of treatment to Medicare, Medicaid, and medically indigent patients in a conspicuous location in the patient waiting area in compliance with the ARC Federal Co-Chair's J-1 Visa Waiver Policy.

ARC's Response:

In response to our recommendation ARC contacted state officials in Ohio. As a result, the State has issued a letter to all J-1 Visa Waiver sponsors in Ohio to ensure that they properly post notices that the facility or practice sponsoring the physician must agree to provide health services to individuals without discriminating against them because (a) they are unable to pay for those services or (b) payment for those health services will be made under Medicare and Medicaid. (See Appendix C – ARC's Response)

Auditor's Comment:

ARC, in conjunction with Ohio state officials, has taken steps to ensure that all J-1 Visa Waiver sponsors in Ohio properly post notices of the availability of treatment to Medicare, Medicaid, and medically indigent patients in a conspicuous location in the patient treatment area in compliance with the ARC Federal Co-Chair's J-1 Visa Waiver Policy. As a result, this recommendation is considered closed.

CONCLUSION: All of the eight physicians we contacted were satisfied with the program and practices and they generally expressed interest in staying in the area upon completion of their waiver period. (See Appendix A – J-1 Physician Visits in Ohio)

Tichenor & Associates LLP

Tichenor & Associates, LLP

Louisville, Kentucky

August 24, 2007

APPENDIX C
ARC'S RESPONSE



APPALACHIAN
REGIONAL
COMMISSION

*A Proud Past,
A New Vision*

MEMORANDUM

DATE: October 18, 2007

TO: Jack Somerville, CPA, Tichenor & Associates, LLP
Cliff Jennings, IG, Office of the Inspector General

THROUGH: Charles S. Howard, General Counsel *CH*

FROM: Deann Reed Fairfax, J-1 Program Specialist, Office of General Counsel *DRF*

CC: Krista Sapp, J-1 Visa Waiver Coordinator, Ohio Department of Health

SUBJECT: Review of Selected Employers and J-1 Visa Waiver Physicians in Ohio

In response to the recommendations in the *Review of Selected Health Providers and J-1 Visa Waiver Physicians in Ohio*, we contacted state officials in Ohio. As a result, the State has issued a letter to all J-1 Visa Waiver sponsors in Ohio to ensure that they properly post notices that the facility or practice sponsoring the physician must agree to provide health services to individuals without discriminating against them because (a) they are unable to pay for those services or (b) payment for those health services will be made under Medicare and Medicaid.

Regarding the database modification, we will work with the ARCnet database manager to determine the feasibility of your recommendation. For future requests, we will review the comments section and note any extraordinary information on the reports requested.

We have obtained a current work schedule for Dr. Tarvinder Matharu and have determined the he is in compliance with ARC policy.

We have obtained a letter of explanation regarding the ineligible practice site of Dr. Hazem Kakaji. Dr. Kakaji will begin his practice at his approved site of 336 Main Street, Jackson, Ohio within 30 days.

In conjunction with Ohio state officials we have obtained information from Sigmund Clinical Services, LLC that they are not able to retain Dr. Festus Uzokwe at the approved practice site and are determining the possibly of a transfer for Dr. Festus Uzokwe. Once a conclusion to this matter has been reached we will notify you of the results.

We appreciate your review and accept your recommendations. If you have any questions, please do not hesitate to contact me at 202-884-7786 or dfairfax@arc.gov.