

CED gets state Medicaid funding back; AG's office looking at case

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MONTGOMERY — State Medicaid funding has been restored to the CED Mental Health Center and service to clients is continuing, but a Medicaid billing question has been turned over to the attorney general's office, officials said Tuesday.

CED Executive Director Sheila Hurley said a plan of action meeting is scheduled late this week in an attempt to restore federal Medicaid funding that also was cut off.

"The Alabama Department of Mental Health has restored funding, but a plan of action is required for federal funding," Hurley said.

State and federal Medicaid funding was temporarily halted to the CED center that serves about 4,000 clients in Cherokee, Etowah and DeKalb counties after a "credible" allegation of fraudulent Medicaid billing was revealed two weeks ago.

Officials said funding can be suspended under the Affordable Care Act of 2010 if billing questions are raised.

State mental health officials met Monday in Gadsden with CED board members, several judges and representatives of the Alabama Disabilities Advocacy Program to discuss developments.

Those attending included Mental Health Commissioner Zelia Baugh and James Dill, executive director of the Alabama Council of Community Mental Health Boards.

Baugh said her department is working with CED to continue providing mental health services. "We have mental health center directors in other parts of the state to assist if they need to come in," she said.

Regulations require any "credible allegation of fraud" to be reviewed by the attorney general's office.

Hurley said, "At this point, we have no facts to substantiate the allegations."



CED Board Member Perry Gwin said the board voted to go into executive session to discuss “the good name and character” of an individual or individuals. He declined to discuss the closed session.

Gwin said mental health officials were in the closed session. Hurley said the CED staff did not attend the executive session.

CED Board Chairman David Miller declined comment.

Medicaid spokeswoman Robin Rawls said while she could not comment on specifics, the agency routinely audits providers to identify potential fraud or program abuse.

“If preliminary reviews establish that credible evidence of potential fraud or program abuse exists, the case is referred to the Medicaid Fraud Control Unit of the Alabama Attorney General’s office for investigation,” Rawls said. “It is very important to remember that this action does not in any way imply guilt or innocence.”

Rawls said Medicaid violators may get administrative or other sanctions, payment suspension, participation limits or be cut off from funds. She said federal law requires Medicaid to withhold federal payment once an allegation of fraud is made.

She said fraud is “an intentional deception or intentional misrepresentation” with the knowledge that the deception could result in some unauthorized personal benefit or unauthorized benefit to some other person. Evidence must prove misrepresentation with intent to illegally obtain services, payment or other gain, she said.

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