



OFFICE OF INSPECTOR GENERAL
TEXAS HEALTH & HUMAN SERVICES COMMISSION

SYLVIA HERNANDEZ KAUFFMAN
PRINCIPAL DEPUTY INSPECTOR
GENERAL

November 15, 2017

Mr. Tom Klassen
Executive Director
HALO-Flight, Inc.
1843 FM 665
Corpus Christi, Texas 78415-6809

Dear Mr. Klassen:

The Health and Human Services Commission (HHSC) Inspector General (IG) Audit Division conducted an audit of HALO-Flight's Medicaid air ambulance fee-for-service claims filed with the Texas Medicaid and Healthcare Partnership. The objective of the audit was to determine whether fee-for-service claims for air ambulance services paid with Medicaid funds were billed in accordance with state laws, regulations, and the Texas Medicaid Provider Procedures Manual. The scope of the audit included Medicaid paid claims for the period from September 1, 2015, through August 31, 2016, and a review of relevant activities, selected internal controls, and selected IT controls through the end of fieldwork in August 2017.

The IG Audit Division tested all 119 Medicaid claims from the audit period, and did not identify any exceptions to Texas Medicaid billing requirements. In addition, the IG Audit Division tested controls associated with Halo-Flight's claim processing system, Intermedix, and results indicated the system has appropriate controls in place to secure protected health information (PHI).

The IG Audit Division conducted this 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. The IG Audit Division believes that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Thank you for your cooperation during this audit.

Sylvia Hernandez Kauffman
Principal Deputy Inspector General