



State of North Carolina

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August 9, 2011

North Carolina Senate President Pro Tempore Phil Berger
North Carolina House of Representatives Speaker Thom Tillis
Co-Chairs, Joint Legislative Commission on Governmental Operations

Senator Harry Brown
Senator Thom Goolsby
Representative W. David Guice
Representative Shirley B. Randleman
Representative N. Leo Daughtry
Co-Chairs, Appropriations Subcommittees on Justice and Public Safety

North Carolina General Assembly
Raleigh, North Carolina 27601-1096

RE: G.S. §114-2.5; Report on Settlement Agreement for Roanoke Valley
Rescue Squad, Inc.

Dear Members:

G.S. §114-2.5 requires the Attorney General to report to the Joint Legislative Commission on Governmental Operations and the Chairs of the Appropriations Subcommittees on Justice and Public Safety regarding all settlements and court orders which result in more than \$75,000.00 being paid to the State. Pursuant to that statute, I am writing regarding the settlement of claims for Medicaid reimbursement to the State and Federal governments in the above-referenced matter. Pursuant to federal law (42 C.F.R. § 433.320) recoveries in these cases are shared on a pro rata basis by the State and Federal governments.

A Settlement Agreement has been executed between Roanoke Valley Rescue Squad, Inc. and the State of North Carolina. Roanoke Valley Rescue Squad is a North Carolina Corporation that provides ambulance and medical transportation services in Eastern North Carolina. The settlement resolves allegations that from January 1, 2004 through September 30, 2006, Roanoke Valley Rescue Squad provided non-emergency ambulance transportation for dialysis patients whose transportation was not medically necessary.

Under the terms of North Carolina's settlement, the State of North Carolina will recover \$240,000.00. Of that amount, the federal government will receive \$154,320.00 to satisfy North Carolina's obligation to return the federal portion of Medicaid recoveries to the federal government. The North Carolina Medicaid Program will receive \$83,520.86 as restitution. Pursuant to G.S. § 108A-70.12(b)(3), the North Carolina Department of Justice will receive \$2,159.14 for investigative costs.

We will be happy to respond to any questions you may have regarding this report.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kristi Hyman", followed by a long horizontal line extending to the right.

Kristi Hyman
Chief of Staff

KH:ng

cc: Kristine Leggett, NCGA Fiscal Research Division
Nels Roseland, NCDOJ, Deputy Chief of Staff