



January 31, 2008

Memorandum for:    The Federal Co-Chair  
                              ARC Executive Director

Subject:                OIG Report 08-03  
                              Review of Selected Health Providers  
                              And J-1 Visa Waiver Physicians  
                              In Tennessee

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 three recommendations of which two had been responded to sufficiently for those recommendations to be considered closed. The remaining recommendation that remained open pending the receipt of further information was resolved between the time of report delivery and transmittal. The report is now closed.

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.

A handwritten signature in black ink, appearing to read 'C.H. Jennings', with a long horizontal flourish extending to the right.

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 TENNESSEE

Period of Random Site Visits: October 29, 2007 through October 31, 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: 08-03

Date: January 28, 2008

**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 TENNESSEE**

**Period of Random Site Visits: October 29, 2007 through October 31, 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: 08-03

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  
Tennessee

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 October 29, 2007 through October 31, 2007, unannounced visits to five physicians at three locations in Tennessee were performed (three of the physicians were in the same location). 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. 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 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 three locations we visited, all of the employers had sliding fee scales for indigent patients; however, one of the locations did not have a proper notice posted in the patient waiting area notifying patients of the charges for services, as required, and the other two locations had no notices posted whatsoever. (See Appendix B – Summary of Findings)

Recommendation:

We recommend that ARC, in conjunction with Tennessee state officials, ensure that the above employers properly post notices of charges for services and 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 Tennessee. As a result, the State has issued a letter to all J-1 Visa Waiver sponsors in Tennessee 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 Tennessee state officials, has taken steps to ensure that all J-1 Visa Waiver sponsors in Tennessee 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. As a result, this recommendation is considered closed.*

2. No J-1 Placement Verification Form in ARC Files

Once a J-1 Visa Waiver physician begins to practice a J-1 Placement Verification Form, signed by both the physician and the sponsor, is to be submitted to ARC.

ARC did not have J-1 Placement Verification Forms on file for any of the five physicians we visited. (See Appendix B – Summary of Findings)

Recommendation:

We recommend that ARC, in conjunction with Tennessee state officials, work to ensure that J-1 Placement Verification Forms are received for each physician in a timely manner and properly maintained in ARC files.

ARC’s Response:

ARC stated that, in conjunction with Tennessee state officials, a notice has been sent that ARC verification forms be received within ten days of notification. ARC further stated that they would notify the auditor once the forms have been obtained. (See Appendix C – ARC’s Response)

Auditor’s Comment:

*ARC, in conjunction with Tennessee state officials, has taken steps to obtain J-1 Placement Verification Forms from each J-1 Visa Waiver physician and will notify the auditor once the forms are obtained. As a result, we continue to make this recommendation.*

3. ARC Provided Records for a Physician Whose Waiver was Denied

One of the physicians on the ARC J-I Visa Waiver database listing provided to the auditors for potential site visits had been denied a waiver. This was clearly indicated on the United States Department of State letter of approval/denial dated January 14, 2005.

Recommendation:

We recommend that ARC modify its J-1 database to remove (or clearly indicate) any physician that was denied a waiver. (See Appendix B – Summary of Findings)

ARC's Response:

ARC stated that all documents and their database clearly indicate the physician was denied a waiver by the United States Department of State and that in the future reports prepared for the auditor will omit any denied physicians. (See Appendix C – ARC's Response)

Auditor's Comment:

*ARC stated that its database clearly indicates the physician was denied a waiver by the United States Department of State. As a result, this recommendation is considered closed.*

CONCLUSION: Of the five physicians we contacted, all 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 Tennessee)

*Tichenor & Associates, LLP*

Tichenor & Associates, LLP

Louisville, Kentucky

October 31, 2007

**APPENDIX A**

**J-1 PHYSICIAN VISITS IN TENNESSEE**



**J-1 Physician Visits in Tennessee  
October 29, 2007 through October 31, 2007**

	<b>Name</b>	<b>Sponsor</b>	<b>Speciality</b>	<b>ARC Approval Date</b>	<b>Location</b>	<b>Consider Staying in Area</b>
1	Castillo, Mariel Santos	Multi-Speciality Medical, PC	Pediatrics	3/21/2006	Tazewell	Uncertain
2	Rayala, Christopher	Cumberland Family Care,PC	Family Practice	6/1/2007	Spencer	Yes
3	Guanzon, Ryan	Multi-Speciality Medical, PC	Internal Medicine	3/8/2006	Tazewell	Yes
4	Tohme, Fady	The Primary Care Center of Newport	Family Practice	5/6/2004	Newport	Uncertain
5	Papadopol, Raluca	Multi-Speciality Medical, PC	Pediatrics	10/5/2005	Tazewell	Uncertain

**APPENDIX B**  
**SUMMARY OF FINDINGS**

**Summary of Findings**

**J-1 Physician Visits in Tennessee  
October 29, 2007 thru October 31, 2007**

	Name	Sponsor	Findings			
			1a	1b	2	3
1	Castillo, Mariel Santos	Multi-Specialty Medical, PC	X		X	
2	Ryala, Christopher	Cumberland Family Care, PC		X	X	
3	Guanzon, Ryan	Multi-Specialty Medical, PC	X		X	
4	Tohme, Fady	The Primary Care Center of Newport		X	X	
5	Papadopol, Raluca	Multi-Specialty Medical, PC	X		X	
6	Nasrallah, Basel Khaled (Note A)	Not Applicable				X

Findings

- 1a No notice posted of sliding fee scale for services
- 1b No notice posted of availability of treatment to Medicare, Medicaid, and medically indigent patients
- 2 No J-1 Placement Verification Form on file at ARC
- 3 Physician denied waiver, but remains on listing provided to auditors for potential site visits

Notes

- A No attempt to contact this physician was made

**APPENDIX C**  
**ARC'S RESPONSE**



APPALACHIAN  
REGIONAL  
COMMISSION

*A Proud Past,  
A New Vision*

## MEMORANDUM

**DATE:** January 11, 2008

**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:** Ann Cranford, Director of Health access Community Services  
Tennessee Department of Health

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

In response to the recommendations in the *Review of Selected Health Providers and J-1 Visa Waiver Physicians in Tennessee*, we contacted state officials in Tennessee. As a result, the State has issued a letter to all J-1 Visa Waiver sponsors in Tennessee 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.

In conjunction with Tennessee state officials a notice has been sent that ARC verification forms be received within ten days of notification. Once we have obtained the forms and logged them in we will notify you.

Regarding the DOS denied physician, I apologize for the confusion, I prepared a report of ARC approved physicians. All documents and the database very clearly indicate this physician was denied by Department of State. In preparing future reports for you I will omit DOS denied physicians.

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](mailto:dfairfax@arc.gov).