



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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ELIZABETH CONNOLLY
Acting Commissioner

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE
AND HEALTH SERVICES

MEGHAN DAVEY
Director

GAUTAM SEHGAL, M.D.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE

AND HEALTH SERVICES AND

MEDICAID FRAUD DIVISION,

RESPONDENT.

ADMINISTRATIVE ACTION

FINAL AGENCY DECISION

OAL DKT. NO. HMA 12555-16

As Director of the Division of Medical Assistance and Health Services, I have reviewed the record in this matter including the Initial Decision and the contents of the OAL case file. No Exceptions to the Initial Decision were filed. Procedurally, the time period for the Agency Head to render a Final Agency Decision is April 21, 2017, in accordance with N.J.S.A. 52:14B-10, which requires an Agency Head to adopt, reject or modify the Initial Decision within 45 days of receipt. The Initial Decision was received on March 7, 2017.

I hereby ADOPT the findings, conclusions and recommended decision of the Administrative Law Judge in their entirety and incorporate the same herein by reference. As noted in the Initial Decision, summary disposition may be entered

where there is no genuine issue as to any material fact and where the moving party is entitled to prevail as a matter of law. See Initial Decision at page 4, citing N.J.A.C. 1:1-12.1 et seq. See also Brill v. Guardian Life Ins. Co. of Am., 142 N.J. 520, 523 (1995). Once the moving party has shown competent evidence of the absence of any genuine issue of fact, the non-moving party must do more than simply create some doubts as to the material facts; it must raise a factual issue substantial enough to sustain a reasonable conclusion in the non-moving party's favor.

Based upon my review of the record, I agree with the Administrative Law Judge that Dr. Sehgal has failed to raise any genuine issue of material fact that would require a hearing in this matter. I also agree that the Medicaid Fraud Division (MFD) is entitled to prevail as a matter of law. Thus, I find that the decision to suspend Dr. Sehgal pending the resolution of the criminal proceedings is appropriate.

On February 5, 2016, Dr. Sehgal was indicted by a Grand Jury in Middlesex County on seven counts of healthcare claims fraud, one count of insurance fraud, and one count of theft by deception. The criminal complaint alleged that Dr. Sehgal was billing health insurance carriers for procedures that he did not personally perform or that were not performed at all.


The New Jersey Medical Assistance and Health Services Act provides that the Director may suspend, debar or disqualify for good cause any provider who is presently participating or who has applied for participation in the Medicaid program. N.J.S.A. 30:4D-17.1(a). Suspension means "an exclusion from State contracting for a period of time, pending the completion of an investigation or legal proceedings." N.J.A.C. 10:49-11.1(c). The regulations set forth the circumstances

in which the Medicaid Agent or DMAHS may exclude a provider from participating in the Medicaid program for the purpose of protecting the interest of the New Jersey Medicaid and NJ FamilyCare programs. N.J.A.C. 10:49-11.1(b). Specifically, N.J.A.C. 10:49-11.1(d)(2) and (23) states that any offense indicating a lack of business integrity or any other cause affecting responsibility as a provider of Medicaid services provide good cause for suspension. Additionally, as noted by the ALJ, reasonable suspicion of the existence of the good cause may be established by: "a judgment or order of an administrative agency, or court of competent jurisdiction, or by a judgment of conviction, grand jury indictment, accusation, or arrest, or by evidence that such violations of civil or criminal law did in fact occur." N.J.A.C. 10:49-11.1(j)(5) (emphasis added). Here, it is undisputed that Dr. Sehgal was indicted by a grand jury based on allegations of healthcare claims fraud. As a result, I FIND that MFD acted reasonably and within its regulatory authority to suspend Dr. Sehgal pending resolution of the criminal proceedings.

THEREFORE, it is on this ^{5th} day of April 2017,

ORDERED:

That the recommended decision granting Respondent's motion for summary decision is hereby ADOPTED.


Meghan Davey, Director
Division of Medical Assistance
and Health Services