



Department of Health

ANDREW M. CUOMO
Governor

HOWARD A. ZUCKER, M.D., J.D.
Commissioner

SALLY DRESLIN, M.S., R.N.
Executive Deputy Commissioner

January 5, 2017

Ms. Andrea Inman, Audit Director
Office of the State Comptroller
Division of State Government Accountability
110 State Street – 11th Floor
Albany, New York 12236-0001

Dear Ms. Inman:

Enclosed are the Department of Health's comments on the Office of the State Comptroller's Follow-Up Audit Report 2016-F-7 entitled, "Improper Payments to a Physical Therapist." (2013-S-15)

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in cursive script that reads "Sally Dreslin".

Sally Dreslin, M.S., R.N.
Executive Deputy Commissioner

Enclosure

cc: Marybeth Hefner
Jason A. Helgeson
Dennis Rosen
Erin Ives
Brian Kiernan
JoAnn Veith
Elizabeth Misa
Geza Hrazdina
Jeffrey Hammond
Jill Montag
James Dematteo
James Cataldo
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OHIP Audit SM

**Department of Health
Comments on the
Office of the State Comptroller's
Follow-Up Audit Report 2016-F-7 entitled,
Improper Payments to a Physical Therapist**

The following are the Department of Health's (Department) comments in response to the Office of the State Comptroller's (OSC) Follow-Up Audit Report 2016-F-7 entitled, "Improper Payments to a Physical Therapist."

Background

New York State (NYS) is a national leader in its oversight of the Medicaid Program. The Office of the Medicaid Inspector General (OMIG) conducts on-going audits of the Medicaid program and managed care plans. The Department and OMIG will continue to focus on achieving improvements to the Medicaid program and aggressively fighting fraud, waste and abuse.

Under Governor Cuomo's leadership, the Medicaid Redesign Team (MRT) was created in 2011 to lower health care costs and improve quality of care for its Medicaid members. Since 2011, Medicaid spending has remained under the Global Spending Cap, while at the same time providing health care coverage to an additional 1,475,319 fragile and low income New Yorkers. Additionally, Medicaid spending per recipient decreased to \$8,305 in 2015, consistent with levels from a decade ago.

Recommendation #1

Recover Medicaid overpayments totaling \$146,225 for the 3,837 improper claims.

Status – Partially Implemented

Agency Action – In our initial audit, we reported that Mr. Amir submitted claims with incorrect Medicare payment information. The Office of the Medicaid Inspector General (OMIG) investigates and recovers improper Medicaid payments on behalf of the Department. At the conclusion of the initial audit, the OMIG referred Mr. Amir's claims to the State Attorney General's Medicaid Fraud Control Unit (MFCU) for further review. MFCU staff performed their own review of both Medicare and Medicaid claims from Mr. Amir during our audit period and identified overpayments of \$116,298. Based on MFCU's review, the OMIG sent a letter, dated July 6, 2016, to Mr. Amir seeking recovery of the \$116,298. However, as of August 2016, the OMIG had not yet recovered the overpayments. OMIG officials stated they will continue their efforts to recover amounts due from Mark Amir.

Response #1

OMIG continues to pursue recoveries of inappropriate payments.

Recommendation #2

Review the remaining 5,634 claim payments totaling \$158,990 and determine if recoveries and/or sanctions are warranted.

Status – Not Implemented

Agency Action – In our initial audit, we reported that Mr. Amir submitted claims as an individual Medicaid provider using his NPI for services performed by other physical therapists at his practice, which is not allowed under Medicaid rules. We recommended that the Department and the OMIG review Mr. Amir's claims and records to determine the appropriateness of these payments to Mr. Amir and take any necessary actions. As of August 2016, the OMIG had not reviewed Mr. Amir's claims or records to determine the extent that Mr. Amir submitted claims as an individual Medicaid provider for services performed by others. We strongly encourage the Department and the OMIG to review Mr. Amir's claims and determine if recoveries and/or sanctions are warranted.

Response #2

OMIG is in the process of reviewing the claims and determining the appropriate action.