



Department of Health

ANDREW M. CUOMO
Governor

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

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

March 8, 2019

Mr. Kenneth Shulman
Assistant Comptroller
New York State Office of the State Comptroller
110 State Street, 10th Floor
Albany, New York 12236

Dear Mr. Shulman:

Pursuant to the provisions of Section 170 of New York State Executive Law, I hereby transmit to you a copy of the New York State Department of Health's comments related to the Office of the State Comptroller's final audit report 2017-S-36 entitled, "Medicaid Overpayments for Medicare Part B Services Billed Directly to eMedNY."

Please feel free to contact Estibaliz Alonso, Assistant Commissioner, Office of Governmental and External Affairs at (518) 473-1124 with any questions.

Sincerely,

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

Enclosure

cc: Estibaliz Alonso

**Department of Health
Comments on the
Office of the State Comptroller's
Final Audit Report 2017-S-36 entitled, "Medicaid Overpayments for
Medicare Part B Services Billed Directly to eMedNY"**

The following are the Department of Health's (Department) comments in response to the Office of the State Comptroller's (OSC) Final Audit Report 2017-S-36 entitled, "Medicaid Overpayments for Medicare Part B Services Billed Directly to eMedNY."

Recommendation #1:

Review the \$46,030 for the 240 claims we tested and make recoveries, as appropriate.

Response #1:

The Office of the Medicaid Inspector General's (OMIG) contractor will review and pursue recovery of any payment determined to be inappropriate.

Recommendation #2:

Using a risk-based approach, assess the remaining \$5.27 million in potential overpayments made to providers for Part B coinsurance, and recover overpayments, as appropriate. Ensure prompt attention is paid to those providers who received the largest dollar amounts of the payments.

Response #2:

OMIG's contractor will review and pursue recovery of any payment determined to be inappropriate.

Recommendation #3:

Review the \$3.4 million in overpayments and make recoveries, as appropriate.

Response #3:

OMIG's contractor will review and pursue recovery of any payment determined to be inappropriate.

Recommendation #4:

Formally remind providers who received overpayments to report accurate claim information when billing Medicaid for Part B deductibles and coinsurance on direct-bill claims to ensure claims are paid appropriately.

Response #4:

The Department will remind providers in a Medicaid Update of their obligation to bill Medicaid for Part B deductibles and coinsurance on direct bill claims.

Recommendation #5:

Enhance system controls to identify and prevent overpayments of Part B deductible and coinsurance amounts.

Response #5:

The Department will review the reasonability edits currently in place for Medicare Part B claims, and assess if they can be strengthened, or whether new edits need to be designed to help mitigate provider billing errors that may result in Medicaid overpayments.