



Department of Health

ANDREW M. CUOMO
Governor

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

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

December 20, 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 2018-S-55 entitled, "Medicaid Claims Processing Activity October 1, 2018 Through March 31, 2019."

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 2018-S-55 entitled, "Medicaid Program: Claims
Processing Activity October 1, 2018 Through March 31, 2019"

The following are the Department of Health's (Department) comments in response to the Office of the State Comptroller's (OSC) Final Audit Report 2018-S-55 entitled, "Medicaid Program: Claims Processing Activity October 1, 2018 Through March 31, 2019."

Recommendation #1:

Formally advise the hospitals to accurately report alternate levels of patient care when billing Medicaid to ensure appropriate payment.

Response #1:

The Department issued a Medicaid Update article in July 2019 advising hospitals to accurately report alternate levels of patient care when billing Medicaid to ensure appropriate payment.

Recommendation #2:

Review the \$108,396 in overpayments and make recoveries, as appropriate.

Response #2:

The Office of the Medicaid Inspector General (OMIG) has recovered the \$108,396 inappropriate payment.

Recommendation #3:

Formally advise the hospitals to accurately report newborn claim information when billing Medicaid to ensure appropriate payment.

Response #3:

The Department issued a Medicaid Update in July 2019 advising hospitals to accurately report newborn claim information when billing Medicaid to ensure appropriate payment.

Recommendation #4:

Review the \$508,092 (\$499,977 + \$8,115) in overpayments and make recoveries, as appropriate.

Response #4:

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

Recommendation #5:

Review the \$762,316 (\$666,992 + \$5,898 + \$48,710 + \$236 + \$8,278 + \$24,636 + \$7,566) in overpayments and make recoveries, as appropriate.

Response #5:

OMIG will review the identified overpayments and pursue recovery of any payment determined to be inappropriate.

Recommendation #6:

Review the \$278,850 in overpayments and make recoveries, as appropriate.

Response #6:

OMIG will review the identified overpayments and pursue recovery of any payment determined to be inappropriate.

Recommendation #7:

Ensure the implemented eMedNY system controls prevent multiple CPEP payments for an individual episode of care and prevent CPEP claims from being paid for the same date of service as a psychiatric inpatient admission.

Response #7:

The Office of Mental Health has worked with the Department to update the process for billing Comprehensive Psychiatric Emergency Program (CPEP) to prevent multiple CPEP evaluation payments for an individual episode of care, and to ensure that CPEP claims are not paid for the same date of service as a psychiatric inpatient admission. A change was submitted to update the rate type for rate codes 4007 and 4008 to a "monthly" rate type on May 6, 2019 which will prevent the double payment issue. The effective date of the change is January 1, 2019.

Recommendation #8:

Review the \$215,673 (\$73,068 + \$96,612 + \$45,993) in overpayments and make recoveries, as appropriate.

Response #8:

Due to the complexity of the claims and services provided, OMIG will extract its own data, perform analysis, and determine an appropriate course of action.

Recommendation #9:

Ensure OMIG refunds are accurate and appropriate before processing the payments.

Response #9:

OMIG has revised its process to include an additional layer of review to ensure that the accuracy and appropriateness of refunds are confirmed more than once before processing.

Recommendation #10:

Determine the status of the remaining provider relating to their future participation in the Medicaid program.

Response #10:

The remaining provider is still under review by OMIG.