



Department of Health

ANDREW M. CUOMO
Governor

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

LISA J. PINO, M.A., J.D.
Executive Deputy Commissioner

October 21, 2020

Honorable Andrea Inman
Audit Director
Division of State Government Accountability
NYS Office of the State Comptroller
110 State Street, 11th Floor
Albany, New York 12236

Dear Ms. Inman:

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-65** entitled, "**Medicaid Program: Improper Fee-for Service Payments for Services Covered by Managed Long- Term Care Plans**".

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

Sincerely,

Lisa J. Pino, M.A., J.D.
Executive Deputy Commissioner

Enclosure

cc: Estibaliz Alonso

New York State Department of Health Comments on the Office of the State Comptroller's Final Audit Report 2018-S-65 entitled "Medicaid Program: Improper Fee-for-Service Payments for Services Covered by Managed Long-Term Care Plans"

The following are the New York State Department of Health's (Department) comments in response to the Office of the State Comptroller's (OSC) Final Audit Report 2018-S-65 entitled, "Medicaid Program: Improper Fee-for-Service Payments for Services Covered by Managed Long-Term Care Plans."

Recommendation #1:

Review the \$16.4 million in improper Medicaid FFS payments and make recoveries, as appropriate.

Response #1:

The Office of the Medicaid Inspector General will review the improper payments identified and pursue recovery of any payment determined to be inappropriate.

Recommendation #2:

Correct eMedNY MLTC benefit package information and system edits to prevent FFS payments for MLTC covered services.

Response #2:

The Department agrees that the eMedNY Managed Long-Term Care (MLTC) benefit package information and system edits needed to be corrected to prevent Fee-for-Service (FFS) payments for MLTC covered services. In order to accomplish this, evolution project EP6527 was completed in May 2020, providing MLTC its own global edit. This global edit now allows the Department to apply system edits that are separate from Mainstream Managed Care and specific to the MLTC benefit package.

Recommendation #3:

Work with Local Districts to develop a process to identify and recover improper Medicaid FFS payments for MLTC services resulting from retroactive enrollments.

Response #3:

The Department will assist the Local Departments of Social Services in developing processes to identify and recover improper Medicaid FFS payments for MLTC services resulting from retroactive enrollments.

Some of the proposals that are being discussed are (1) reviewing FFS payments made during the retroactive enrollment period and deducting any services covered under the benefit package from the capitation package paid to the plan, (2) limiting authorization for entering a retroactive reenrollment to a limited number of authorized users who are familiar with the process of looking at the FFS history, and (3) pending reenrollment in eMedNY for MLTC enrollment if there are paid FFS claims during the period of requested reenrollment.