



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

March 19th, 2021

Ms. 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 2019-S-22 entitled, "Medicaid Program: Improper Medicaid Payments Involving Fee-for-Service Claims for Recipients With Multiple Client Identification Numbers."

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

Sincerely,

Theresa Egan
Deputy Commissioner for Administration

Enclosure

cc: Ms. Newman

Department of Health
Comments on the Office of the State Comptroller’s
Final Audit Report 2019-S-22 entitled, “Medicaid Program: Improper
Medicaid Payments Involving Fee-for-Service Claims for Recipients
With Multiple Client Identification Numbers”

The following are responses from New York State Department of Health (Department) to the Office of the State Comptroller’s (OSC) Final Audit Report 2019-S-22 entitled, “Medicaid Program: Improper Medicaid Payments Involving Fee-for-Service Claims for Recipients With Multiple Client Identification Numbers.”

Recommendation #1:

Review the remaining \$16 million in managed care payments we identified and make recoveries, as appropriate.

Response #1:

The Office of the Medicaid Inspector General (OMIG) has recovered \$3.5 million of the remaining \$16 million and is currently performing foster care audits of recipients with multiple Client Identification Numbers (CINs). OMIG performs its own extraction of data from the Medicaid data warehouse, which may include those OSC-identified overpayments not already adjusted or recovered, to ensure the data used by OSC is complete and to confirm the accuracy of the claims detail for use in OMIG audit activities. Pursuant to State regulations, any identified overpayments OMIG pursues for recovery are subject to the provider’s right to due process.

Recommendation #2:

Evaluate the feasibility of creating a control to prevent the creation of multiple CINs when recipients are enrolled in foster care.

Response #2:

The Department has edits in place to prevent the assignment of a CIN if the consumer has an existing CIN. The Department evaluated the feasibility of creating additional controls; however, because the Office of Children and Family Services (OCFS) has not required the New York City Administration for Children’s Services (ACS) to enter the child’s Social Security Number (SSN) at case opening for foster care cases when it is not immediately available, edits in the Welfare Management System (WMS), NY State of Health (NYSOH) and eMedNY are circumvented for this limited population. The Department is working with OCFS to ensure ACS consistently enters the SSN when all foster care cases are opened. The inclusion of the consumer’s or child’s SSN will ensure the edits currently in place correctly match the consumers or children to the already existing CIN and, therefore, prevent the creation of a duplicate CIN.

Recommendation #3:

Review the remaining \$15 million in payments (\$12.5 million in managed care premiums + \$2.5 million in FFS claims) we identified and make recoveries, as appropriate.

Response #3:

OMIG is researching and evaluating the Medicaid managed care (MMC)/fee-for-service (FFS) and concurrent FFS enrollment areas to determine the most efficient audit approach to identify and recover duplicate payments in these areas, as allowable under the provisions of the MMC Model Contracts. OMIG’s development of audit approaches in these areas is ongoing. However, the Local Districts of Social Services (LDSS) are responsible for submitting retroactive disenrollments, of which the volume has been low. It is important to note that the MMC/FFS scenario is included in the retroactive disenrollment process.

Recommendation #4:

Develop a process to identify and recover:

- Improper managed care premium payments for non-foster care recipients with concurrent FFS enrollment; and
- Improper FFS payments for recipients with multiple FFS enrollments under different CINs.

Response #4:

OMIG has an established audit process to recover inappropriate payments for foster care recipients with multiple CINs in MMC/FFS.

OMIG is researching and evaluating the MMC/FFS and concurrent FFS enrollment areas to determine the most efficient audit approach to identify and recover duplicate payments in these areas, as allowable under the provisions of the MMC Model Contracts. OMIG’s development of audit approaches in these areas is ongoing. However, the LDSS are responsible for submitting retroactive disenrollments, of which the volume has been low. It is important to note that the MMC/FFS scenario is included in the retroactive disenrollment process.

OMIG’s evaluation of multiple CIN-related issues has determined that the Same-Plan and Different-Plan projects present the greatest risk for overpayments. Accordingly, those projects have been prioritized.

Recommendation #5:

Review and resolve the remaining 16,526 cases of multiple CINS we identified to prevent future improper overpayments.

Response #5:

The Department confirms that it has resolved all duplicate CINs identified in the audit.

Recommendation #6:

Correct eMedNY system controls to prevent payment of claims after multiple CINs are linked.

Response #6:

The Department does not agree with this recommendation. As conveyed during the preliminary findings stage of the audit, the Department conducted an evaluation based on OSC's findings. After multiple discussions between eMedNY and Departmental program staff, the Department determined that additional system controls would not materially mitigate future overpayments. Claims paid after multiple CINs were linked represent 0.3 percent of the total claims identified in the audit by OSC. Furthermore, as OSC indicated, the Department added additional program resources towards multiple CIN research and resolution, which continues to result in improved processes, and eliminating the potential of future overpayments.

State Comptroller's Comment #1 (Refers to General Comments):

Our statement is true. The Department incorrectly inferred all 102 Medicaid recipients were Former Foster Care (FFC). Our report never made that conclusion. Rather, our report added the general statement about the Former Foster Care Youth Program under the table on page 10 to explain why NYSOH may have been involved for some of the 102 (of the 12,151) cases. Using the Department's eMedNY system, we reviewed the eligibility information for the 102 cases and found all 102 of the CINs were created on the upstate WMS to enroll the recipients in foster care. Furthermore, subsequent enrollment updates associated with these CINs were performed in NYSOH. As our report demonstrates, the use of the upstate WMS to enroll foster care recipients contributes to the creation of multiple CINs and Medicaid overpayments.

Response to State Comptroller's Comment: #1:

The table on page 10 of the final OSC report indicates 45 consumers had a CIN associated with Foster Care in NYSOH and a CIN with managed care in NYSOH. The file of associated CINs OSC shared with the Department does not support this finding. Only four pairs had both CINs in NYSOH and one of those pairs was for two different consumers so the CINs were not duplicates.

State Comptroller's Comment – [The file of CINs we sent to the Department fully supported our audit findings. Per the Department's eMedNY system, all 45 of the multiple CINs referenced in the Department's response had enrollment through the NYSOH system at the time we extracted enrollment data.](#)

The table also indicates that for 102 CINs, the system for the Foster Care CIN was NYSOH. The statement is incorrect because none of the consumers with a NYSOH CIN were enrolled in foster care while receiving coverage in NYSOH. Individuals in foster care receive Medicaid through the LDSS, not in NYSOH. While some of these consumers had been enrolled in foster care in the past, their current NYSOH CIN is not a Foster Care CIN.

Furthermore, while OSC clarified that they did not intend to say all 102 CINs were for Former Foster Care (FFC) enrollees, the footnote to the table remains inaccurate because it states FFC youth can enroll through NYSOH. As stated in the Department's previous response, FFC youth are required to enroll in Medicaid through the LDSS. Therefore, it remains unclear why OSC's comment states that NYSOH "may have been involved for some of the 102" Foster Care CINs.

State Comptroller's Comment – [Our footnote is accurate per information found on the Office of Children and Family Services' website, which provides clarification on provisions of the Affordable](#)

Care Act regarding Medicaid eligibility of Former Foster Care youth. According to this information, Former Foster Care youth should contact the Local Department of Social Services in the county where they live to enroll; *or youth may also go to NYSOH to enroll.*

Upstate WMS CINs are routinely created for NYC Foster Care consumers. Duplicate CINs may be created because SSNs are currently not required when opening services cases. The Department has requested that OCFS require ACS to enter the child's SSN when a foster care case is opened. While this will help, it will not resolve all issues. In many instances, the child's SSN is not known when the services case is opened because when children are removed from their home due to abuse and neglect, parents often are unwilling to provide the information. If the SSN is entered, the system's existing edits would close the NYC CIN and prevent the duplication. The Department continues to work with OCFS and ACS to ensure ACS enters an SSN when opening a Foster Care case.

State Comptroller's Comment #2 (Refers to Response #2):

The Department's response does not indicate it will assess the feasibility of establishing a preventative control to address the largest portion of our findings. Accordingly, we encourage the Department to consider such a control to prevent the creation of a multiple CIN (on the upstate WMS) during foster care enrollment on behalf of recipients who already have a CIN on the downstate WMS.

Response to State Comptroller's Comment: #2:

See response to Recommendation #2.

State Comptroller's Comment #3 (Refers to Response #6):

In its response, the Department acknowledges claims in our findings were inappropriately paid after multiple CINs were linked. As such, we encourage the Department to reconsider its position on this recommendation to prevent future overpayments.

Response to State Comptroller's Comment: #3:

While the Department acknowledges there were some payments inappropriately paid after multiple CINs were linked, the Department continues to disagree with the necessity of this recommendation, especially because they represent only .3 percent of the total number of overpayments identified by OSC.

With input from eMedNY staff, the Department conducted a risk-based evaluation based on OSC's findings as it indicated it would during the preliminary findings stage of the audit. Duplicate CIN logic does not extend to looking at the scope of benefits when the individual associated with the linked CIN is enrolled in managed care. Therefore, there is no way to systematically determine whether claims are appropriately billed when the service received is not included in the scope of benefits in the consumer's managed care plan. The only system control that could be implemented is to pend all FFS claims, which is untenable because the programmatic damage it would cause far exceeds any possible benefit associated with preventing overpayments in this limited instance. Such a control would result in voluminous delayed payments to service providers, especially when nearly all of them will represent appropriately billed claims. To implement such a far-reaching systematic change for such a

small percentage of payments is imprudent and unwarranted, and would cause significant programmatic harm to providers.

Rather, the Department is exploring the feasibility of conducting manual reviews to identify FFS claims paid when a duplicate CIN is enrolled in managed care.