

January 11, 2023

Andrea Inman
Office of the New York State Comptroller

Dear Ms. Inman,

This letter will respond to the Office of the State Comptroller's (OSC) Report titled Payments by Beacon Health Options for Mental Health and Substance Abuse Services for Ineligible Members (2021-S-018).

As a result of the OSC Audit, Beacon Health Options (Beacon) is working collaboratively with DCS to perform quarterly reconciliations and has updated our processes to further identify claims impacted by gaps in coverage and retro-termination. Please see the below notes regarding the OSC recommendations.

1. Review the \$3.21 million in ineligible payments and ensure appropriate recoveries are made.

Beacon Response: As of the writing of this response, Beacon has recovered \$682,324.80 in overpaid benefits, and will continue to pursue recovery of overpaid benefits, as warranted.

2. Take steps to ensure all recoverable claims are identified and pursued for recovery to the fullest extent practicable.

Beacon Response: Beacon's continued process improvement efforts results in both incremental and breakthrough opportunities; including expedited identification and recovery of overpayments associated with retroactive termination in member eligibility.

3. Take steps to ensure eligibility information is complete, accurate, and up to date, including but not limited to continuing to perform periodic reconciliations and improving the reconciliation process.

Beacon Response: Beacon and DCS have established a quarterly eligibility reconciliation process for the Empire Plan. The most recent quarterly reconciliation, performed in November 2022, showed a 97% reduction in records that required manual review and potential update to mirror NYBEAS eligibility dates when compared to the first reconciliation performed in October 2021. Quarterly reconciliations between Beacon's system and the NYBEAS platform will continue in partnership with DCS.



We appreciate the opportunity to review and respond to Office of the State Comptroller's (OSC) Report titled Payments by Beacon Health Options for Mental Health and Substance Abuse Services for Ineligible Members (2021-S-018).

Sincerely,

A handwritten signature in black ink that reads "Jennifer Rice".

Jennifer Rice

Vice President, Account
Partnerships

Beacon Health Options

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cc: Michael Wagner
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