



Department of Health

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Executive Deputy Commissioner

March 30, 2026

Christopher Morris, Audit Director
Office of the State Comptroller
Division of State Government Accountability
110 State Street – 11th Floor
Albany, NY 12236-0001

Dear Christopher Morris:

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 2022-S-42 entitled, "Medicaid Program: Improper Premium Payments Made on Behalf of Managed Care Members Residing Outside the State".

Please feel free to contact the Office of Governmental and External Affairs at (518) 473-1124 with any questions.

Sincerely,

A handwritten signature in cursive script that reads "Johanne E. Morne".

Johanne E. Morne, M.S.
Executive Deputy Commissioner

Enclosures

cc: Melissa Fiore
DOH Audit

**Department of Health Comments on the
Office of the State Comptroller’s
Final Audit Report 2022-S-42 entitled,
“Medicaid Program: Improper Premium Payments Made on Behalf of
Managed Care Members Residing Outside the State”**

The following are the Department of Health’s (Department) comments in response to the Office of the State Comptroller’s (OSC) Final Audit Report 2022-S-42 entitled, “Medicaid Program: Improper Premium Payments Made on Behalf of Managed Care Members Residing Outside the State”. Included in the Department’s response is the Office of the Medicaid Inspector General’s (OMIG) replies to applicable recommendations. OMIG conducts and coordinates the investigation, detection, audit, and review of Medicaid providers and recipients to ensure they are complying with the laws and regulations.

General Comments:

OMIG identified a number of claims that were included in more than one recommendation. Because a claim can only be recovered once, the potential recovery recommendations are inaccurate. A summary of the count of claims in each recommendation that overlapped with another recommendation is included below.

Claims Included in More Than One Recommendation	
<i>Recommendation #</i>	<i>Dollar Amount</i>
1	\$ 42,297,443
3	\$ 18,151,199
5	\$ 6,413,634
7	\$ 26,481,092
10	\$ 40,997,777

The overall fiscal impact of these overlapping claims is \$67,698,918, as claims are duplicated in multiple recommendations.

State Comptroller’s Comment 1 – The potential recovery recommendations are accurate based on the indicators used in the analysis for each recommendation. Although we agree it would be inappropriate to recover a premium payment more than once, DOH should consider whether a premium payment was flagged by multiple indicators, which would indicate a higher risk that the member was living outside New York State. Further, page 8 of our audit report clearly states that premiums may be included in more than one category and provides the unduplicated totals: 5,566,995 claims and over \$2.6 billion in premium payments.

Audit Recommendation Responses:

Recommendation #1

Using a risk-based approach, such as the one described in the body of this report, review the NYSOH members identified by the PARIS match between May 2017 and October 2019 (representing \$1.5 billion in premiums paid through October 2024) and, as appropriate, determine their residency, end their Medicaid eligibility, and recover improper premium payments.

Response #1

The Department used a risk-based approach to review eligibility of members present on the PARIS match between May 2017 and October 2019. The Department reviewed the account activity, between May 2017 and October 2019, for a portion of these members. Five percent of the members in the review completed a Life Status Change (LSC) in their account within three months of appearing on the PARIS match. Approximately 17% completed a LSC within nine months of the match. This demonstrates that the member was actively trying to make updates to their account. It is also noted that the 6-year time frame within which the Department may recoup overpayments has passed for the majority of this audit period (which was for more than 7 years). However, these members should have appeared on PARIS matches in later time frames (within the 6-year time frame) and requests for residency verification would then be made and their eligibility redetermined accordingly.

State Comptroller's Comment 2 – As noted on pages 12–13 of our report, a Life Status Change, especially one unrelated to residency, provides no assurance that a member identified by a PARIS match currently resides in New York State. For example, we identified a member who submitted documentation to DOH in response to a verification of residency letter, but DOH rejected it as inadequate. Subsequently, the member updated the income information on their NYSOH application, which was considered a Life Status Change, and attested to the accuracy of the application information. As a result, the PARIS match was considered resolved.

OMIG performed extensive analysis on the OSC-identified claims. OMIG determined that numerous claims have already been recovered by OMIG, are in the process of being pursued for recovery by OMIG, may not be eligible for recovery, or are considered low risk. These claims are outlined in the chart below.

Recommendation 1: NYSoH Members Identified by PARIS Match (May 2017 - Oct 2019)					
		# Claims Excluded	Claims	\$ Findings Excluded	Balance
OSC-Identified Overpayments			3,310,113		\$1,512,442,003
1	Recovered or Reviewed by OMIG	(6,870)	3,303,243	(\$3,798,794)	\$1,508,643,209
2	Identified by OMIG for inclusion in 2025 PARIS Match Audit	(2,382)	3,300,861	(\$1,184,033)	\$1,507,459,176

3	Service Utilization (Encounters) Present for Month of Service	(1,307,486)	1,993,375	(\$752,462,793)	\$754,996,383
4	NCOA Data Reflects Continuous NYS Residency	(131,973)	1,861,402	(\$53,513,407)	\$701,482,976
5	Date of Service Precedes First Out-of-State Eligibility Start Date	(501)	1,860,901	(\$220,656)	\$701,262,320
6	Out-of-State Eligibility Began More Than 2 Years Prior to First Date of Service	(198,400)	1,662,501	(\$78,203,239)	\$623,059,081
7	NCOA Data Reflects Alternating NYS and Out-of-State Residency	(23,339)	1,639,162	(\$9,792,541)	\$613,266,540
8	Claim Beyond 6-Year Lookback Period	(815,252)		(\$293,577,927)	
Potentially Recoverable - Pending Further Review			823,910		\$319,688,613

State Comptroller's Comment 3 – We are encouraged that DOH has taken the time to develop a risk-based approach to reviewing the premium payments identified in our audit. However, we would encourage DOH to revisit how it determined certain categories of OSC-identified overpayments were excluded. For example, DOH excluded payments because the “NCOA data reflects continuous NYS residency.” However, as DOH acknowledged in its response to recommendation #8, the NCOA report may not include all members who have been confirmed to have moved out of New York. It includes only those who have filed a change of address with the U.S. Postal Service. As a result, not appearing on the NCOA report does not indicate a member has continuously lived in New York. In another example, DOH excluded payments because “NCOA data reflects alternating NYS and out-of-state residency.” For these members, DOH must determine the period the member resided in another state and recover any improper premium payments. We encourage DOH to reconsider some of the payments it has excluded from review.

The Department and OMIG will continue their ongoing review of the OSC-identified data to determine accuracy of the member information as well as what, if any, capitation payments are recoverable per the terms of the relevant Medicaid Managed Care Model Contract. NYSOH is reviewing and making determinations on member eligibility and the need for potential disenrollment. OMIG supports these efforts and will make any necessary recoveries via OMIG's audit process. In 2025, OMIG received over 12,000 PARIS match retroactive disenrollment notifications from NYSOH, which will be incorporated into OMIG's retroactive disenrollment follow-up audit process.

Providers are authorized by regulation to adjust or void any claims or encounters up to two years after submission to NYS Medicaid. OMIG takes this into account when determining when

to start the audit process. OMIG will pursue recovery of any identified and remaining overpayments. Pursuant to State regulations, any identified overpayments OMIG pursues for recovery are subject to the provider's right to due process.

Recommendation #2

Correct NYSOH PARIS processing to ensure:

- NYSOH verifies the residency of all members identified by PARIS matches, including members who:
 - Have invalid Medicaid start dates in the matching state, District of Columbia, or Puerto Rico.
 - Incorrectly fail NYSOH's match validation process (e.g., members whose SSNs and birth dates actually match between NYSOH and PARIS information, and members who have multiple NYSOH identifiers).
 - Update their Medicaid applications with Life Status Changes unrelated to residency.
- NYSOH accurately includes all members with SSNs that have been verified by the Social Security Administration in the files sent for PARIS matching.
- The NYSOH PARIS clock properly expires for all members (e.g., members released from correctional facilities and members who inappropriately have more than one NYSOH account).

Response #2

The Department has identified the causes of the invalid start date and multiple match failures and will continue to evaluate when change requests can be implemented to resolve these issues. At this time, specific timing for such changes cannot be provided as systems changes needed to be compliant with House Reconciliation Bill (H.R.1) federal mandates must be prioritized. In the interim, the Department will investigate options to identify these failed matches and execute a manual workaround to validate a member's residency.

The Department will investigate the feasibility of a policy change related to accepting the LSC as attestation of residency.

The defect for not including all verified Social Security Number Medicaid recipients on the outbound PARIS file was fixed in March 2024.

The defect for an expired document that was preventing a PARIS clock to be set was fixed in September 2024.

The issue regarding resolving the Department of Corrections and Community Supervision life cycle is not a defect but an artifact of the required Centers for Medicare and Medicaid Services (CMS) Public Health Emergency (PHE) continuous coverage requirements. A monthly data correction is being performed for the limited number of affected cases. The Department anticipates these required CMS extensions will be completed in February 2026.

The defect for the reason code of “individual duplicate coverage” preventing a PARIS clock from expiring, was fixed in July 2024.

Recommendation #3

For those NYSOH-enrolled members who were not properly or fully processed for PARIS matching due to the NYSOH defects identified in Recommendation 2, take the necessary steps to determine if any of the members resided outside New York and review the corresponding \$375 million in premium payments and make recoveries, as appropriate.

Response #3

The February 2025 PARIS match included members impacted by the defects referenced in Recommendation #2, which were fixed between March 2024 and September 2024. There was a delay in the PARIS match process at the federal level in the Fall of 2024. There were only three PARIS matches performed by the Office of the Administration for Children and Family (ACF) in 2024. The October match was a re-transmission of the members from the August file.

OMIG continues its review of the capitation payments for the members identified by OSC and included in this recommendation. OMIG continues to pursue additional data sources to validate the out-of-state residency of Medicaid managed care enrollees who have left the state, which would be of particular importance for members who were not properly or fully processed for PARIS matching.

Recommendation 3: NYSoH Members Not Processed for PARIS Matching					
		# Claims Excluded	Claims	\$ Findings Excluded	Balance
OSC-Identified Overpayments			752,175		\$374,209,325
1	Recovered or Reviewed by OMIG	(2,007)	750,168	(\$1,133,021)	\$373,076,304
2	Identified by OMIG for inclusion in 2025 PARIS Match Audit	(173)	749,995	(\$79,000)	\$372,997,305
3	Service Utilization (Encounters) Present for Month of Service	(268,561)	481,434	(\$158,223,221)	\$214,774,083
4	NCOA Data Reflects Continuous NYS Residency	(35,317)	446,117	(\$15,931,961)	\$198,842,122
5	Date of Service Precedes First Out-of-State Eligibility Start Date	(95)	446,022	(\$43,709)	\$198,798,414
6	Out-of-State Eligibility Began More Than 2 Years Prior to First Date of Service	(11,316)	434,706	(\$4,567,550)	\$194,230,863
7	NCOA Data Reflects Alternating NYS and Out-of-State Residency	(6,654)	428,052	(\$2,967,904)	\$191,262,959
8	Claim Beyond 6-Year Lookback Period	(8,580)		(\$3,759,690)	
Potentially Recoverable - Pending Further Review			419,472		\$187,503,269

State Comptroller's Comment 4 – See State Comptroller's Comment 3.

Recommendation #4

Develop a standard process that all Local Districts must follow for processing PARIS matches and notify all Local Districts of the process.

Response #4

The Department issued guidance (GIS 25 MA /16) for use by the Local Departments of Social Services (LDSS) for handling PARIS matches. This guidance provides guidelines for handling PARIS matches, reporting outcomes, and recoupment. In addition, the Department will continue to collaborate with the OMIG to ensure districts successfully provide notification of such disenrollments and, when appropriate, premiums are recouped.

Recommendation #5

Review the members identified by the audit who were marked “Closed/Removed by Match” by Local Districts but whose eligibility was not closed and, where appropriate, ensure their Medicaid eligibility is closed and the corresponding \$65 million in retroactive premium payments are recovered.

Response #5

The Department reviewed approximately 3,000 members, accounting for approximately \$63 million of the reported \$65 million in overpayments. The remaining members are still under investigation. While these 3,000 members were on the PARIS report and marked “closed” by the counties, in many cases, a subsequent review of their individual situations prevented disenrollment. The Department found two common reasons why it was appropriate that these members remained enrolled:

1. Supplemental Security Income (SSI) – Members who are receiving SSI are eligible for and automatically provided Medicaid coverage as required by (1902(a) (10) (A) (i) (II) (aa); 42 CFR 435.120). Since demographic information for these members are provided directly by the Social Security Administration (SSA) into the Welfare Management System (WMS), residency is not reviewed for Medicaid eligibility, even if they appear on a PARIS match. Cases closed by an LDSS are automatically reopened by SSA in the following month on WMS unless the address is changed with SSA. This scenario accounted for approximately \$37 million of the \$65 million in the report.

State Comptroller's Comment 5 – All members referred to in this recommendation were investigated by the Local District and marked “Closed/Removed by Match,” indicating they were found to reside outside of New York. When a Local District determines a Supplemental Security Income member's address is incorrect, which DOH indicates may result in closed cases automatically reopening in the next month, there is a form (*Report of Change – SSI Data*) that can be submitted to the Social Security Administration to update the address. In these cases, DOH should work with the Social Security Administration to ensure the member's information is updated to prevent improper premium payments.

The guidance referenced in Recommendation #4 addresses the handling of cases where the member found on the PARIS match is an SSI recipient. The LDSS cannot work directly with SSA but rather the member (or their representative) must update the address with SSA.

2. **Re-enrollments** – Review of these members showed some who were disenrolled by the LDSS and subsequently re-enrolled. This re-enrollment occurred by the same LDSS, a different LDSS, or by NYSOH. It appears members either moved back to New York or provided information to the LDSS or NYSOH after the original case was set to close. LDSS staff would only be aware of the re-enrollment if it occurred in the same district and would not change their PARIS match disposition. Because most LDSS have separate staff handling Medicaid applications and PARIS match investigations, the information from either process may not be shared in real time. This scenario accounted for approximately \$10 million of the \$65 million in the report.

State Comptroller’s Comment 6 – We acknowledge that members in this population may have resided in another state and then moved back to New York. However, DOH must determine the period the member resided in another state and recover any improper premium payments.

As noted on pages 15 and 16 of our report, we provided DOH with our audit findings during the audit. DOH officials responded that they reviewed a sample of 55 members we identified as marked “Closed/Removed by Match,” and found that 10 members’ eligibility had been closed by the Local Districts and the members reapplied for coverage through NYSOH. However, the eligibility for two of these 10 members was closed once they reapplied in NYSOH, and the closings and reapplications did not occur until well after the PARIS matches—approximately 10 months and nearly 3 years after the matches, respectively. Two other members’ eligibility was not closed until over 4 months after the PARIS matches. In these scenarios, DOH should recover the premiums paid during the periods that the Local Districts found the members were residing outside of New York.

OMIG continues to review the capitation payments for members identified by OSC and included in this recommendation. OMIG notes that a potential conflict within the data may exist for members marked as “Closed/Removed by Match” whose eligibility was not closed, calling into question the accuracy of that field. OMIG reviewed a sampling of members in this data and found trends indicating that many members were residing in New York State for all or part of the months identified in the OSC audit, and therefore the payments were appropriate.

OMIG has been conducting a standalone PARIS Match audit since 2022, and spent significant time developing its audit procedures to ensure audit findings are accurate. In OMIG’s work developing the audit, OMIG noted data quality issues with the information contained in the PARIS Match file, which are reflected in the [Best Practices page on the PARIS match website](#), and notes that often the PARIS match generates bad matches due to Social Security Number data entry errors and other states not updating their information.

OMIG’s statewide PARIS Match audit is a retrospective review and has been completed for dates of service through December 31, 2019. These audits have recovered \$22.3 million in capitation payments. When comparing OMIG’s review for calendar year 2019 to OSC’s, OMIG notes different findings attributable to the following:

- Outdated out-of-state eligibility periods – In many cases, OSC defined capitation payments as inappropriate because of an out-of-state eligibility period that began in the past; in some cases, the out-of-state eligibility began as far back as 2001. OMIG reviewed a selection of these members and frequently found encounter data and other evidence indicating the member was in New York State for the period identified.
- Out-of-state eligibility periods with “infinite” end dates – These members require additional scrutiny because they can lead to inflated overlap periods. Local District comments and the “DateResolved” field may offer more precise closure indicators but are not always consistently populated.

As part of OMIG’s review of OSC’s PARIS Match findings, several data integrity issues were identified due to differences between OMIG’s PARIS Match source file and the eligibility dates used by OSC. OSC’s methods rely on inferred eligibility periods instead of verified PARIS Match data, which may affect the overall integrity and defensibility of the resulting findings. A comparison of the two revealed the following:

- Missing out-of-state eligibility start dates – When eligibility start dates were missing, file dates associated with PARIS Match record submissions were used to represent eligibility start dates rather than start dates provided by the other states. OMIG’s analysis of PARIS files has routinely found other state eligibility segments beginning several years or even decades in the past. As a result, the mere presence of a member on a file is not indicative of current eligibility in another state.
- Omission of out-of-state eligibility end dates – OMIG’s PARIS Match source file included documented eligibility end dates; however, it appears those dates were not considered by OSC when extracting claims through the current period.

State Comptroller’s Comment 7 – As detailed in the report, all members were marked “Closed/Removed by Match” by the Local District due to the third quarter 2017 through fourth quarter 2022 PARIS match, indicating the members resided outside New York during this period. If the start date or end date in the other state is outdated or missing, DOH and OMIG must determine the time frame the member was out of state and recover any related premium payments, as appropriate.

Additionally, if the DOH PARIS match database contains inaccuracies, DOH and OMIG should collaborate with the Local Districts to identify the cause of the discrepancies and correct the information.

Recommendation 5: WMS Members Marked Closed/Removed by Match - Eligibility Not Closed					
		# Claims Excluded	Claims	\$ Findings Excluded	Balance
OSC-Identified Overpayments			75,254		\$65,276,756
1	Recovered or Reviewed by OMIG	(2,348)	72,906	(\$1,894,665)	\$63,382,091
2	Identified by OMIG for inclusion in 2025 PARIS Match Audit	(2,831)	70,075	(\$1,239,380)	\$62,142,710
3	Service Utilization (Encounters) Present for Month of Service	(26,604)	43,471	(\$39,904,056)	\$22,238,654
4	Date of Service After WMS PARIS Out-of-State Eligibility End Date	(5,245)	38,226	(\$2,182,720)	\$20,055,934
5	WMS PARIS Out-of-State Eligibility Start Date Missing	(5,473)	32,753	(\$3,646,869)	\$16,409,065
6	District Resolution Code Does Not Indicate Recovery	(4,950)	27,803	(\$2,265,468)	\$14,143,596
7	NCOA Data Reflects Continuous NYS Residency	(2,462)	25,341	(\$1,395,837)	\$12,747,759
8	Date of Service Precedes First Out-of-State Eligibility Start Date	(89)	25,252	(\$44,297)	\$12,703,462
9	Out-of-State Eligibility Began More Than 2 Years Prior to First Date of Service	(1,797)	23,455	(\$956,082)	\$11,747,380
10	NCOA Data Reflects Alternating NYS and Out-of-State Residency	(501)	22,954	(\$269,134)	\$11,478,246
11	Claim Beyond 6-Year Lookback Period	(1,429)		(\$763,639)	
Potentially Recoverable - Pending Further Review			21,525		\$10,714,607

[State Comptroller's Comment 8 – See State Comptroller's Comment 3.](#)

Recommendation #6

Develop oversight processes to ensure resolutions of WMS and NYSOH PARIS matches are properly processed in a timely manner that include, but are not limited to, ensuring:

- WMS PARIS matches marked “Closed/Removed by Match” result in the members’ eligibility being closed.
- Local Districts initiate retroactive disenrollments for periods members resided outside of New York.
- All improper premium payments are recovered timely.

Response #6

The Department has improved and will continue to modify and enhance its oversight processes to ensure timely and correct processing (closing of cases, retroactive disenrollment and recoupment) of all PARIS matches. Below are some examples of actions already taken:

- **Increased staff involved in the Quality Review process**

The Department increased the staff involved in verifying PARIS reports, returned as “completed” by the local districts, to reflect the actual changes made in WMS. Staff were also provided training to confirm if a case was correctly handled.

- **Increased spot checks**

The Department increased the percentage of cases it audits during the “spot check” process from 2% to 10%. The Department now reviews, at a minimum, 10% of cases, per LDSS, for compliance. This review seeks to ensure districts properly closed all appropriate PARIS matches and followed up on any possible claims for recoupment. Feedback is provided to the LDSS if issues are discovered during Department follow-up.

OMIG will perform its own extraction of data from the MDW which may include those OSC-identified overpayments not already adjusted or recovered, to ensure the data used by OSC is complete, confirm the accuracy of the claims detail for use in OMIG audit activities, to determine those overpayments requiring recovery. Providers are authorized by regulation to adjust or void any claims or encounters up to two years after submission to NYS Medicaid. OMIG takes this into account when determining the start of the audit process. OMIG will recover any identified and remaining overpayments. Pursuant to State regulations, any identified overpayments OMIG pursues for recovery are subject to the provider’s right to due process.

Recommendation #7

Review the \$234 million in improper premiums paid for members whose eligibility was closed and make recoveries, as appropriate.

Response #7

OMIG conducted an analysis of OSC’s findings in comparison to OMIG’s most recent audit scope of January 1, 2019 through December 31, 2019 and identified some trends that raise questions about OSC’s findings, as set forth in the response to recommendation #5.

Recommendation 7: WMS/NYSOH Members - Eligibility Closed					
		# Claims Excluded	Claims	\$ Findings Excluded	Balance
OSC-Identified Overpayments			554,102		\$233,299,233
1	Recovered or Reviewed by OMIG	(8,297)	545,805	(\$5,520,002)	\$227,779,230
2	Identified by OMIG for inclusion in 2025 PARIS Match Audit	(6,986)	538,819	(\$3,235,317)	\$224,543,913
3	Service Utilization (Encounters) Present for Month of Service	(169,769)	369,050	(\$82,176,124)	\$142,367,789
4	Date of Service After WMS PARIS Out-of-State Eligibility End Date	(1,798)	367,252	(\$696,918)	\$141,670,870
5	WMS PARIS Out-of-State Eligibility Start Date Missing	(2,486)	364,766	(\$1,550,748)	\$140,120,122
6	District Resolution Code Does Not Indicate Recovery	(3,790)	360,976	(\$1,470,144)	\$138,649,978
7	NCOA Data Reflects Continuous NYS Residency	(18,924)	342,052	(\$7,901,547)	\$130,748,431
8	Date of Service Precedes First Out-of-State Eligibility Start Date	(35)	342,017	(\$11,123)	\$130,737,308
9	Out-of-State Eligibility Began More Than 2 Years Prior to First Date of Service	(41,142)	300,950	(\$16,118,943)	\$114,645,627
10	NCOA Data Reflects Alternating NYS and Out-of-State Residency	(2,518)	298,432	(\$1,202,333)	\$113,443,295
11	Claim Beyond 6-Year Lookback Period	(18,489)		(\$7,247,556)	
Potentially Recoverable - Pending Further Review			279,943		\$106,195,739

[State Comptroller's Comment 9 – See State Comptroller's Comment 3.](#)

Recommendation #8

Use NCOA and any other additional data sources, such as the sources referenced in this report, to identify members residing outside of New York.

Response #8

The Department is taking steps to use the NCOA file to identify members who have changed their New York mailing address to an out-of-state mailing address. Since the NCOA file reflects changes to mailing addresses only, the Department cannot terminate a member's eligibility until the member has had an opportunity to prove their continued state residency. Similarly, the Department is exploring other data sources to identify members who may be residing outside of New York, including information from private insurers, Medicare, and managed care encounter

data. If the Department determines a member is no longer residing in New York, their eligibility will be terminated in accordance with state and federal regulations. Recovery of any overpayments to plans will be pursued, as appropriate.

The Florida voter registry is not useable systematically as it requires manual entry of member information and cannot be used in a batch capacity, making this an unrealistic tool to identify members living out of state.

Pursuant to federal regulations, the presence of a member on a data match alone is not sufficient reason for the Department to terminate the member's Medicaid coverage. The Department must first request additional information to clarify the discrepancy between the information in the match and the information provided by the member. 42 CFR §435.952(d).

It should be noted that during the audit period, the Department was required to keep members enrolled due the PHE continuous enrollment requirements. Additionally, LDSS and NYSOH were required to keep members enrolled until the end of their existing authorization period, to give them an opportunity to complete a renewal, even if there was returned mail and the member could not be reached. This policy was in effect from March 2020 through July 2023. Eligibility would be terminated for anyone who reported they were no longer a New York State resident.

State Comptroller's Comment 10 – Under the Families First Coronavirus Response Act, continuous enrollment was required through the end of the emergency period unless the individual requested a voluntary termination of eligibility or the individual ceases to be a resident of the State.

OMIG continues to pursue additional data sources to validate the out-of-state residency of NYS Medicaid enrollees. The challenge persists of ensuring these data sources are accurate and complete, and that the data source is properly matched to a NYS Medicaid enrollee. There is a significant risk of bad matches due to Social Security Number data entry errors and matching on incomplete data points (the Florida voter file appears to only match on the last four digits of a Social Security Number). When dealing with data sets as large as the Medicaid population in New York State and other large states, there are significant risks of people sharing key demographic indicators like name and date of birth. The 1095b/NCOA Report – which was developed and maintained by the United States Postal Service as a resource to assist in the delivery of mail -- provides some value but is unreliable as a standalone data source due to date-related assumptions, format limitations, and reporting inconsistencies. For example, OMIG's analysis of the NCOA report found a member's confirmed out-of-state move was not indicated on the report at all, and OMIG recovered capitation payments for members with dates of service in 2019, where the member was not listed on the NCOA report. OMIG also identified five reports that contained identical data and one report that was blank.

State Comptroller's Comment 11 – We are pleased the DOH is taking steps to use the NCOA file, as it is a valuable resource for identifying members living in other states and preventing improper Medicaid payments.

As stated on page 17 of the report, the Centers for Medicare & Medicaid Services issued a letter in March 2022 strongly encouraging states to utilize NCOA data and consider it reliable, provided that adequate outreach is completed by the state. Additionally, the 1095-B report referenced in DOH's response is generated by DOH's eMedNY system. Therefore, OMIG

should collaborate with DOH to update the report to enhance its usefulness, such as adding the actual move date.

OSC's approach reflects selective handling of eMedNY address data, treating out-of-state addresses as indicators while disregarding in-state addresses. Additionally, a single "minimum risk date" is applied across multiple indicators, including those with lower reliability. A ranked, reliability-based framework would better support OMIG's ability to ensure consistency and defensibility in any subsequent administrative review or hearing context.

State Comptroller's Comment 12 – Federal regulations require state Medicaid programs to promptly review information they have received or obtained that may affect eligibility and to redetermine eligibility for members whenever this information is received. All data sources used to complete our analysis indicate that a member may reside outside New York, which would affect the member's eligibility. As a result, receipt of this information from any of these sources should be investigated.

Recommendation #9

Engage with the U.S. Department of Health and Human Services on whether the Administration for Children & Families can incorporate additional data sources that help establish residency, such as NCOA, into the federal PARIS match.

Response #9

The Department, along with the Office of Temporary and Disability Assistance, has engaged with the ACF regarding an increase in frequency of the federal PARIS match. Additionally, there are proposed statutory changes at the federal level requiring the use of NCOA data, as well as verified address data from Managed Care Plans, to help ensure accurate residency information for enrollees. The Department will continue to engage with federal partners and ensure compliance with any new federal requirements.

Recommendation #10

Review the \$509 million in premium payments made on behalf of members identified as residing outside of the State according to the data sources other than PARIS and, as appropriate, determine the members' residency, end their Medicaid eligibility, and recover improper premium payments.

Response #10

The Department will send requests for residency verification to members identified in this audit as living outside of New York according to data sources other than the PARIS match. The Department will prospectively disenroll members who fail to respond to the residency request.

The Department will continue to collaborate with OMIG to enhance the usefulness of data sources for the purposes of residency verification, retroactive disenrollment and recoupment, as appropriate.

Please refer to response to recommendation #8. While the additional data sources OSC

reviewed could be used to complement the PARIS match, they are unreliable as standalone data sets. Of the claims data included in this recommendation, \$462 million had a single data source other than PARIS, indicating the member may have been residing outside of New York. These claims require further analysis using additional data sources to determine where the member was residing.

OMIG will continue to review payments and evaluate additional data sources to validate the out-of-state residency of NYS Medicaid enrollees. The challenge persists of ensuring these data sources are accurate and complete, and that the data source is properly matched to a NYS Medicaid enrollee. OMIG will recover any payments that it identifies as inappropriate. Pursuant to State regulations, any identified overpayments OMIG pursues for recovery are subject to the provider's right to due process.

Recommendation 10: Residing Outside of NYS According to Sources Other than PARIS					
		# Claims Excluded	Claims	\$ Findings Excluded	Balance
OSC-Identified Overpayments			1,029,486		\$509,231,686
1	Recovered or Reviewed by OMIG	(10,827)	1,018,659	(\$6,300,928)	\$502,930,758
2	Identified by OMIG for inclusion in 2025 PARIS Match Audit	(2,084)	1,016,575	(\$1,078,912)	\$501,851,846
3	Service Utilization (Encounters) Present for Month of Service	(766)	1,015,809	(\$646,320)	\$501,205,526
4	Excluded - Removed in Previous Recommendation	(48,367)	967,442	(\$20,035,370)	\$481,170,155
5	NCOA Data Reflects Continuous NYS Residency	(22,086)	945,356	(\$12,824,879)	\$468,345,277
6	Date of Service Precedes Minimum Risk Date	0	945,356	\$0	\$468,345,277
7	Out-of-State Eligibility Began More Than 2 Years Prior to Minimum Risk Date	(9,933)	935,423	(\$4,564,289)	\$463,780,988
8	NCOA Data Reflects Alternating NYS and Out-of-State Residency	(88,142)	847,281	(\$43,319,605)	\$420,461,384
9	Claim Beyond 6-Year Lookback Period	(203,273)		(\$105,205,533)	
Potentially Recoverable - Pending Further Review			644,008		\$315,255,850

[State Comptroller's Comment 13 – See State Comptroller's Comment 3.](#)

Recommendation #11

When OMIG identifies members with an out-of-state address in the MDW and no in-state service claims, ensure retroactive recoveries of premium payments are made, as appropriate.

Response #11

OMIG is developing a process to ensure members identified as having an out-of-state address and no in-state service claims are properly reviewed by the relevant LDSS staff and captured in the retroactive disenrollment process as appropriate.

OMIG will recover any overpayments identified by this process. Pursuant to State regulations, any identified overpayments OMIG pursues for recovery are subject to the provider's right to due process.