



## Department of Health

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Governor

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Commissioner

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Executive Deputy Commissioner

May 17, 2016

Mr. John Buyce  
Audit Director  
New York State Office of the State Comptroller  
110 State Street, 11<sup>th</sup> Floor  
Albany, New York 12236

Dear Mr. Buyce:

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 2015-S-41 entitled, "Medicaid: Managed Care Organizations' Readiness for the Encounter Intake System."

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

Sincerely,

Howard A. Zucker, M.D., J.D.  
Commissioner of Health

Enclosure

cc: Ms. Nickson

**Department of Health  
Comments on the  
Office of the State Comptroller's  
Final Audit Report 2015-S-41 entitled,  
Medicaid: Managed Care Organizations' Readiness for the Encounter  
Intake System**

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The following are the Department of Health's (Department) comments in response to the Office of the State Comptroller's (OSC) Final Audit Report 2015-S-41 entitled, "Medicaid: Managed Care Organizations' Readiness for the Encounter Intake System."

**Recommendation #1**

Actively monitor and guide the Medicaid MCOs that have not completed testing to ensure they become capable of submitting appropriate encounter transactions to the EIS and, if necessary take corrective actions to enforce compliance.

**Response #1**

The Encounter Intake System (EIS) opened up to collect Medicaid production data on September 14, 2015, providing top priority for the All Payer Database (APD) team to have all Medicaid issuers complete testing and begin submitting data. As accurately reported in the OSC Audit Report, not all Medicaid issuers were ready to submit data by this mid-September deadline, and significant effort was put towards achieving the goal of full data submission in both the following 2-month period and beyond.

All Medicaid issuers that had not started testing, or had not completed testing, were immediately contacted by the APD team. For issuers not as familiar with encounter submission specifications, added technical assistance was delivered via email, telephone calls, and weekly conference call meetings. This provided issuers with the technical instruction and capacity required to complete testing, with the updated results shown below.

As the OSC Audit Report recommended, recent assistance centered on the 2 Medicaid MCOs that had not yet completed testing by 2/16. Successful outcomes from both meant that corrective action plans were unnecessary.

The change in testing metrics for Medicaid issuers between the Assessment Report date of 9/30/15, the preliminary report response date of 11/20/15, and the current date of 3/30/16 are reported below:

<b>Issuer</b>	<b>Completed All Testing</b>	<b>Completed Some Testing</b>	<b>Starting Testing</b>	<b>Had Not Started Testing</b>
All Medicaid Issuers (52) - - As of <b>9/30/2015</b>	10	21	13	8
All Medicaid Issuers (52) - - As of <b>11/20/15</b>	43	7	1	1
All Medicaid Issuers (51)* -- As of <b>3/30/2016</b>	51	0	0	0

\* The total number of issuers has been reduced from 52 to 51, effective 1/1/16, due to one issuer no longer participating in the Medicaid Program.

As a result of Office of Quality and Patient Safety (OQPS) and Office of Health Insurance Programs (OHIP) efforts, all 51 (100%) Medicaid issuers have successfully completed testing for all transaction types.