



Office of the  
Medicaid Inspector  
General

ANDREW M. CUOMO  
Governor

DENNIS ROSEN  
Medicaid Inspector General

August 31, 2016

[REDACTED]  
Friedwald Center for Rehabilitation and Nursing, LLC  
475 New Hempstead Road  
New City, New York 10956

Re: MDS Final Audit Report  
Audit #: 13-4875  
Provider ID#: [REDACTED]

Dear [REDACTED]

This is the final audit report of findings with regard to the Office of the Medicaid Inspector General's (OMIG) Minimum Data Set (MDS) audit of Friedwald Center for Rehabilitation and Nursing, LLC for the census period ending July 25, 2012. In accordance with 18 NYCRR §517.6, this final audit report represents the OMIG's final determination on issues found during OMIG's review.

We received your response to our draft audit report dated March 24, 2016. Your comments have been considered (see Attachment D) and the findings in the final audit report remain identical to the draft audit report.

The Medicaid overpayment of \$65,543.08 was calculated using the number of Medicaid days paid for the rate period January 1, 2013 through June 30, 2013 and the change in the direct component of your Medicaid rate as calculated by the Department of Health's Bureau of Long Term Care Reimbursement (BLTCR). The calculation of this overpayment is detailed in Attachment A. BLTCR will adjust your Medicaid rates for the relevant rate period to reflect the change in the direct component. The findings explanation, regulatory references, and applicable adjustment can be found in the attachments following Attachment A.

The Provider has the right to challenge this action and determination by requesting an administrative hearing within 60 days of the date of this notice. If the Provider wishes to request a hearing, the request must be submitted in writing to:

General Counsel  
Office of Counsel  
New York State Office of the Medicaid Inspector General  
800 North Pearl Street  
Albany, NY 12204

Questions regarding the request for a hearing should be directed to Office of Counsel, at [REDACTED].

In accordance with 18 NYCRR 519.18(a), "The issues and documentation considered at the hearing are limited to issues directly relating to the final determination. An appellant may not raise issues regarding the methodology used to determine any rate of payment or fee, nor raise any new matter not considered by the department upon submission of objections to a draft audit or notice of proposed agency action."

If a hearing is held, you may have a person represent you or you may represent yourself. If you choose to be represented by someone other than an attorney, you must supply along with your hearing request a signed authorization permitting that person to represent you at the hearing; you may call witnesses and present documentary evidence on your behalf.

For a full listing of hearing rights please see 18 NYCRR Part 519.

Should you have any questions regarding the above, please contact (b) (6)

Division of Medicaid Audit  
Office of the Medicaid Inspector General

OFFICE OF THE MEDICAID INSPECTOR GENERAL  
FRIEDWALD CENTER FOR REHABILITATION AND NURSING  
AUDIT 13-4875  
CALCULATION OF AUDIT IMPACT

RATE TYPE	DECREASED IN DIRECT COMPONENT OF RATE*	MEDICAID DAY	IMPACT
Part B Eligible/Part B D Eligible	\$4.30	13,820	\$59,426.00
Non-Medicare/Part D Eligible	\$4.36	1,403	\$6,117.08
Total			<u>\$65,543.08</u>

\*Rounded to nearest 1/100th New York State Department of Health Bureau of Managed Long Term Care Rate Setting / FFS

OFFICE OF THE MEDICAID INSPECTOR GENERAL  
 FRIEDWALD CENTER FOR REHABILITATION AND NURSING  
 AUDIT #13-4875  
 FINDINGS BY SAMPLE NUMBER

Sample #	[REDACTED]	Reported RUG	Derived RUG	Reported RUG Weight	Derived RUG Weight	DETAILED FINDINGS				
						DISALLOW BED MOBILITY SELF PERFORMANCE	DISALLOW TRANSFER SELF PERFORMANCE	DISALLOW EATING SELF PERFORMANCE	DISALLOW TOILET USE SELF PERFORMANCE	DISALLOW RESPIRATORY THERAPY
1	[REDACTED]	PE1	PA1	0.79	0.46	1	1	1	1	
2	[REDACTED]	SSC	CA1	1.12	0.77	1	1	1	1	
3	[REDACTED]	SSA	CA1	1.03	0.77	1	1	1	1	
4	[REDACTED]	SSB	PA2	1.06	0.48	1	1	1	1	1
5	[REDACTED]	RMB	RMA	1.22	1.17	1	1	1	1	
6	[REDACTED]	RHC	RMA	1.40	1.17	1	1	1	1	
7	[REDACTED]	RHC	RHC	1.40	1.40					
8	[REDACTED]	CC2	CA2	1.12	0.84	1	1	1	1	
9	[REDACTED]	RMA	RMA	1.17	1.17	1	1	1	1	
10	[REDACTED]	RMB	RMA	1.22	1.17	1	1	1	1	
11	[REDACTED]	CB1	CA1	0.86	0.77	1	1	1	1	
12	[REDACTED]	SSC	CA1	1.12	0.77	1	1	1	1	
13	[REDACTED]	CC2	CA2	1.12	0.84	1	1	1	1	
<b>TOTALS</b>						<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>1</u>

**OFFICE OF THE MEDICAID INSPECTOR GENERAL  
FRIEDWALD CENTER FOR REHABILITATION AND NURSING  
AUDIT #13-4875  
MDS DETAILED FINDINGS**

**MDS FINDINGS****SAMPLE SELECTION****Functional Status-ADL Self-Performance and Support**

If the provider is unable to produce the supporting documentation for the patient, the service will be disallowed and the Case Mix will be adjusted. A repayment schedule will be developed.

Documentation must indicate an assessment was done to evaluate the need for assistance with activities of daily living (ADL's), altered gait and balance, and decreased range of motion (ROM). MDS 3.0 manual guidelines will be followed when examining the medical records.

*42 CFR §483.20 (b) (xvii)  
MDS Manual 3.0 G0100-0900*

**Bed Mobility Self-Performance**

In 2 instances, documentation did not support resident required total assist every time.	2, 8
In 5 instances, documentation did not support resident required weight bearing assist three or more times.	1, 4, 11, 12, 13
In 4 instances, documentation did not support resident required non weight bearing assist three or more times.	3, 5, 6, 10
In 1 instance, documentation did not support resident required supervision one or more times.	9

**Transfer Self-Performance**

In 3 instances, documentation did not support resident required total assist every time.	2, 8, 12
In 5 instances, documentation did not support resident required weight bearing assist three or more times.	1, 4, 6, 11, 13

In 3 instances, documentation did not support resident required non weight bearing assist three or more times. 3, 5, 10

In 1 instance, documentation did not support resident required supervision one or more times. 9

Eating Self-Performance

In 3 instances, documentation did not support resident required total assist every time. 2, 8, 12

In 1 instance, documentation did not support resident required weight bearing assist three or more times. 13

In 2 instances, documentation did not support resident required non weight bearing assist three or more times. 1, 6

In 6 instances, documentation did not support resident required supervision one or more times. 3, 4, 5, 9, 10, 11

Toilet Use Self-Performance

In 5 instances, documentation did not support resident required total assist every time. 1, 2, 8, 12, 13

In 2 instances, documentation did not support resident required weight bearing assist three or more times. 4, 6

In 4 instances, documentation did not support resident required non weight bearing assist three or more times. 3, 5, 10, 11

In 1 instance, documentation did not support resident required supervision one or more times. 9

Special Treatments, Procedures, and Programs

If the provider is unable to produce the supporting documentation for the patient, the service will be disallowed and the Case Mix will be adjusted. A repayment schedule will be developed.

The intent of the items in this section is to identify any special treatments, procedures, and programs that the resident received during the specific time periods. MDS 3.0 manual guidelines will be followed when examining the medical records.

*42 CFR §483.20 (b) (xv)*  
*MDS 3.0 Manual O0100-0300, O0600-0700*

In 1 instance, documentation did not support seven days of respiratory therapy during the look back period. 4

**RUGS-II Classifications Overturned**

In 11 instances, the RUG classifications were overturned. 1, 2, 3, 4, 5, 6, 8, 10, 11, 12, 13

*10 NYCRR §86-2.10, Volume A-2*

**OFFICE OF THE MEDICAID INSPECTOR GENERAL  
 FRIEDWALD CENTER FOR REHABILITATION AND NURSING  
 AUDIT #13-4875  
 MDS BRIDGE MEMO**

Sample #	Finding	Provider Response	Accepted/Denied	Explanation
1	G0110Aa Self-Performance Bed Mobility, G0110Ba Self-Performance Transfer, G0110Ha Self-Performance Eating, G0110la Self-Performance Toilet Use	<ul style="list-style-type: none"> <li>Comprehensive care plan/Self-care deficit</li> <li>Section G Functional Status Forms</li> </ul>	Denied	<p>MDS with ARD 06/25/12 ADL Self-Performance documentation does not support the levels claimed for bed mobility, transfer, eating, and toilet use.</p> <p>See MDS Manual – Section G</p>
3	G0110Aa Self-Performance Bed Mobility, G0110Ba Self-Performance Transfer, G0110Ha Self-Performance Eating, G0110la Self-Performance Toilet Use	<ul style="list-style-type: none"> <li>Comprehensive Care Plan for Self-care deficit</li> <li>Section G Functional Status Forms</li> </ul>	Denied	<p>MDS with ARD 07/15/12 ADL Self-Performance documentation does not support the levels claimed for bed mobility, transfer, eating, and toilet use.</p> <p>See MDS Manual – Section G</p>
4	G0110Aa Self-Performance Bed Mobility, G0110Ba Self-Performance Transfer, G0110Ha Self-Performance Eating, G0110la Self-Performance Toilet Use	<ul style="list-style-type: none"> <li>Section G Functional Status Form</li> </ul>	Denied	<p>MDS with ARD 07/08/12 ADL Self-Performance documentation does not support the levels claimed for bed mobility, transfer, eating, and toilet use.</p> <p>See MDS Manual – Section G</p>
5	G0110Aa Self-Performance Bed Mobility, G0110Ba Self-	<ul style="list-style-type: none"> <li>Section G Functional Status Form</li> </ul>	Denied	<p>MDS with ARD 05/01/12 ADL Self-Performance documentation does not support the levels claimed for bed mobility, transfer, eating, and toilet use.</p>

	Performance Transfer, G0110Ha Self-Performance Eating, G0110la Self-Performance Toilet Use			See MDS Manual – Section G
6	G0110Aa Self-Performance Bed Mobility, G0110Ba Self-Performance Transfer, G0110Ha Self-Performance Eating, G0110la Self-Performance Toilet Use	<ul style="list-style-type: none"> <li>Section G Functional Status Form</li> <li>Skilled Treatment/Observation Form</li> </ul>	Denied	<p>MDS with ARD 07/13/12 ADL Self-Performance documentation does not support the levels claimed for bed mobility, transfer, eating, and toilet use.</p> <p>See MDS Manual – Section G</p>
10	G0110Aa Self-Performance Bed Mobility, G0110Ba Self-Performance Transfer, G0110Ha Self-Performance Eating, G0110la Self-Performance Toilet Use	<ul style="list-style-type: none"> <li>Section G Functional Status Form</li> </ul>	Denied	<p>MDS with ARD 05/03/12 ADL Self-Performance documentation does not support the levels claimed for bed mobility, transfer, eating, and toilet use.</p> <p>See MDS Manual – Section G</p>
12	G0110Aa Self-Performance Bed Mobility, G0110Ba Self-Performance Transfer, G0110Ha Self-Performance Eating, G0110la Self-Performance Toilet Use	<ul style="list-style-type: none"> <li>Section G Functional Status Form</li> </ul>	Denied	<p>MDS with ARD 05/28/12 ADL Self-Performance documentation does not support the levels claimed for bed mobility, transfer, eating, and toilet use.</p> <p>See MDS Manual – Section G</p>
13	G0110Aa Self-Performance Bed Mobility, G0110Ba Self-Performance Transfer,	<ul style="list-style-type: none"> <li>Section G Functional Status Form</li> <li>Comprehensive</li> </ul>	Denied	<p>MDS with ARD 07/08/12 ADL Self-Performance documentation does not support the levels claimed for bed mobility, transfer, eating, and toilet use.</p>

	<p>G0110Ha Self-Performance Eating, G0110Ia Self-Performance Toilet Use</p>	<p>Care Plan for Mood State/Psychosocial</p>		<p>See MDS Manual – Section G</p>
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