



Office of the
Medicaid Inspector
General

DENNIS ROSEN
Medicaid Inspector General

**Audit of Medicaid Claims for Dental
Services Billed Fee-for-Service that are
Included in the Same Day Ambulatory
Patient Group (APG) Payment
Paid From
January 1, 2010 to December 31, 2013**

**Final Audit Report
Audit #: 2015Z76-008W**

SUNY at Stony Brook

Provider ID #: [REDACTED]

NPI #: [REDACTED]



Office of the
Medicaid Inspector
General

ANDREW M. CUOMO
Governor

DENNIS ROSEN
Medicaid Inspector General

February 9, 2016

[REDACTED]
SUNY at Stony Brook
Stony Brook University Hospital
Department of Health Sciences
Floor 13S, Room 112B
Stony Brook, New York 11794-7130

Final Audit Report
Audit #: 2015Z76-008W
Provider ID #: [REDACTED]

Dear [REDACTED]:

This is the Office of the Medicaid Inspector General's (OMIG) Final Audit Report for SUNY at Stony Brook (Provider).

In accordance with Title 18 of the Official Compilation of the Codes, Rules and Regulations of the State of New York Section 517.6, the attached Final Audit Report represents the final determination on the issues found during OMIG's audit.

After reviewing the Provider's January 26, 2016 response to OMIG's November 25, 2015 Draft Audit Report, the overpayments in the Final Audit Report remain unchanged to those overpayments identified in the Draft Audit Report. Based on this determination, the total amount due is \$3,182.36, inclusive of interest. A detailed explanation can be found in the Audit Findings section.

If you have any questions or comments concerning this report, please contact [REDACTED] at [REDACTED] or through email at [REDACTED]. Please refer to audit number 2015Z76-008W in all correspondence.

Sincerely,
[REDACTED]

Office of the Medicaid Inspector General

Attachments
Certified Mail #: [REDACTED]
Return Receipt Requested

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Background, Objective, and Audit Scope

Background

The New York State Department of Health (DOH) is the single state agency responsible for the administration of the Medicaid program. As part of its responsibility as an independent entity within DOH, the Office of the Medicaid Inspector General (OMIG) conducts audits and reviews of various providers of Medicaid reimbursable services, equipment, and supplies. These audits and reviews are directed at assessing provider compliance with applicable laws, regulations, rules, and policies of the Medicaid program as set forth in New York Public Health Law, New York Social Services Law, the regulations of DOH (Titles 10 and 18 of the New York Codes, Rules and Regulations), the regulations of the Office of Mental Hygiene (Title 14 of the New York Codes, Rules and Regulations), DOH's Medicaid Provider Manuals and *Medicaid Update* publications.

Chapter 53 of the Laws of 2008 amended Article 2807 of the Public Health Law by adding a new Section (2-a). Public Health Law 2807 (2-a) required a new Medicaid payment methodology based on Ambulatory Patient Groups (APGs) that would apply to most ambulatory care services provided by hospital outpatient departments, emergency departments and ambulatory surgery departments, and free-standing diagnostic and treatment centers and free-standing ambulatory surgery centers.

APG payment methodology is based on the Enhanced Ambulatory Patient Groups Classification System. APGs categorize the amount and type of resources used in various ambulatory visits. Patients within each APG have similar resource use and cost. APGs group together procedures and medical visits that share similar characteristics and resource utilization patterns for payment purposes. APGs are designed to predict the average pattern of resource use of a group of patients in a given APG. APG payment methodology pays differential amounts for ambulatory care services based on the resources required for each patient visit. APG payment methodology provides greater reimbursement for high intensity services and relatively less reimbursement for low intensity services.

The new APG payment methodology became effective on December 1, 2008 for hospital outpatient departments and ambulatory surgery centers, on January 1, 2009 for hospital emergency departments, and on September 1, 2009 for diagnostic and treatment centers and freestanding ambulatory surgery centers.

Based on OSC Audit 2013-S-17, "Ambulatory Patient Groups Payments for Duplicate Claims and Services in Excess of Medicaid Service Limits", and further expanded by the OMIG, the purpose of this audit is to recoup duplicate dental claims, which were paid by Medicaid in the APG payment to the clinic. To accomplish this, all services paid between January 1, 2010 and December 31, 2013 were reviewed.

Objective

The objective of this audit was to assess the Provider's adherence to applicable laws, regulations, rules, and policies governing the New York State Medicaid program and to:

- recover Medicaid claims for Dental Services Billed Fee-for-Service that are Included in the Same Day Ambulatory Patient Group (APG) Payment

Audit Scope

An audit of Medicaid claims for Dental Services Billed Fee-for-Service that are Included in the Same Day Ambulatory Patient Group (APG) Payment, for claims paid with payment dates included in the period beginning January 1, 2010 and ending December 31, 2013, was completed.

Please note that due to the implementation of the National Provider Identifier (NPI) on September 1, 2008, there may be multiple Provider Identification Numbers associated with the Primary Provider Identification Number. The NPI is linked to the Primary Provider Identification Number. The Primary Provider Identification Number is used for correspondence and recoupment.

Audit Findings

OMIG has completed its audit of Medicaid claims for Dental Services Billed Fee-for-Service that are included in the Same Day Ambulatory Patient Group (APG) Payment, for claims paid with payment dates included in the period beginning January 1, 2010 and ending December 31, 2013.

OMIG identified the following findings:

1. Medicaid claims for Dental Services Billed Fee-for-Service that are Included in the Same Day Ambulatory Patient Group (APG) Payment

Regulations state: "By enrolling the provider agrees: (e) to submit claims for payment only for services actually furnished and which were medically necessary or otherwise authorized under the Social Services Law when furnished and which were provided to eligible persons (h) that the information provided in relation to any claim for payment shall be true, accurate, and complete; and (i) to comply with the rules, regulations and official directives of the department."

18 NYCRR 504.3

Regulation 18 NYCRR 518.(c) defines "overpayment" as "any amount not authorized to be paid under the medical assistance program, whether paid as a result of ...improper claiming, unacceptable practices, fraud, abuse or mistake" and provides for the recovery by OMIG of these overpayments.

18 NYCRR 518.1(c)

Regulations state: "The department may require repayment from the person submitting an incorrect or improper claim, or the person causing such claim to be submitted, or the person receiving payment for the claim."

18 NYCRR 518.3(a)

Regulations state: "Persons furnishing, or supervising the furnishing of, medical care, services or supplies are jointly and severally liable for any overpayments resulting from the furnishing of the care, services or supplies."

18 NYCRR 518.3(c)

"All physician professional services are included in the APG payment made to free-standing Diagnostic and Treatment Centers (D&TC). Physicians providing services in such settings may not bill using the Medicaid physician fee schedule. The only exceptions to this policy are for free-standing D&TC dialysis clinics and ambulatory surgery centers. These specific clinics do not have physician services included in their APG payment. Physicians are permitted to bill based on the Medicaid fee schedule for care provided in these specialty clinics.

The services of other licensed practitioners (dentists, nurse practitioners, midwives and podiatrists), except for orthodontists, are included in the APG payment to the facility and may not be billed separately to Medicaid in the clinic or OPD setting."

APG Provider Manual, Section 4.1, July 2009

"Dentists and/or oral surgeons should not bill Medicaid fee-for-service for non-orthodontic D codes but may submit a claim for their professional services to the facility (i.e., the APG biller)."

APG Provider Manual, Section 4.2, Revision 2.1, August 2012

Medicaid policy states that "Regardless of their past billing practices, dentists providing dental services in clinics may not bill against the dental fee schedule for any dental services other than orthodontics (D8000 - D8999). The professional component for dental services is included in the APG payment to the hospital."

New York State DOH Medicaid Update, March 2010, Vol. 26, No. 4

As a result of this finding, OMIG has determined that \$2,752.35 (Attachment 1) was inappropriately billed to Medicaid, resulting in Medicaid overpayments.

Pursuant to 18 NYCRR Parts 517 and 518, OMIG, on behalf of DOH, may recover such overpayments. In accordance with 18 NYCRR Section 518.4, interest may be collected on any overpayments identified in this audit and will accrue at the current rate from the date of the overpayment. Interest was calculated on the overpayments identified in this Final Audit Report from the date of each overpayment through the date of the Draft Audit Report, November 25, 2015 using the Federal Reserve Prime Rate. For the overpayments identified in this audit, OMIG has determined that accrued interest of \$430.01 (Attachment 1) is now owed.

Based on this determination, the total proposed amount due to DOH, as defined in 18 NYCRR Section 518.1, is \$3,182.36 (Attachment 1), inclusive of interest.

Do not submit claim voids or adjustments in response to this Final Audit Report.

Repayment Options

In accordance with 18 NYCRR Part 518, which regulates the collection of overpayments, your repayment options are described below.

Option #1: Make a full payment by check or money order within 20 days of the date of this Final Audit Report. The check should be made payable to the **New York State Department of Health** with the audit number included, and be sent with the attached remittance advice to:

[REDACTED]
New York State Department of Health
Medicaid Financial Management
GNARESP Corning Tower, Room 2739
File #: 2015Z76-008W
Albany, New York 12237

Option #2: Enter into a repayment agreement with OMIG. If your repayment terms exceed 90 days from the date of this Final Audit Report, recoveries of amounts due are subject to interest charges at the Prime Rate plus two percent (2%). If the process of establishing the repayment agreement exceeds 20 days from the date of the final audit report, OMIG will impose a 50% withhold after 20 days until an agreement is established. OMIG acceptance of the repayment agreement is based on your repaying the Medicaid overpayment as agreed. OMIG will adjust the rate of recovery, or require payment in full, if your unpaid balance is not being repaid as agreed. In addition, if you receive an adjustment in your favor while you owe funds to New York State, such adjustment will be applied against any amount owed. If you wish to enter into a repayment agreement, please contact the Bureau of Collections Management within 20 days at the following:

New York State
Office of the Medicaid Inspector General
Bureau of Collections Management
800 North Pearl Street
Albany, New York 12204
[REDACTED]
[REDACTED]

Hearing Rights

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

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

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

At the hearing you have the right to:

- a) Be represented by an attorney or other representative, or to represent yourself;
- b) Present witnesses and written and/or oral evidence to explain why the action taken is wrong;
- c) Cross examine witnesses of the DOH and/or OMIG; and
- d) Have an interpreter if you do not speak English or are deaf.

Contact Information



Office Address:

New York State
Office of the Medicaid Inspector General
Division of Systems Utilization and Review
800 North Pearl Street
Albany, New York 12204

Mission

The mission of the Office of the Medicaid Inspector General is to enhance the integrity of the New York State Medicaid program by preventing and detecting fraudulent, abusive, and wasteful practices within the Medicaid program and recovering improperly expended Medicaid funds while promoting high quality patient care.

Vision

To be the national leader in promoting and protecting the integrity of the Medicaid program.



Office of the
Medicaid Inspector
General

REMITTANCE ADVICE

SUNY at Stony Brook
Stony Brook University Hospital
Department of Health Sciences
FL 13S, Room 112B
Stony Brook, New York 11794-7130

Provider ID #: [REDACTED]

Audit #: 2015Z76-008W

Amount Due: \$3,182.36

Audit
Type

- Managed Care
 Fee-for-Service
 Rate

Checklist

1. To ensure proper credit, please enclose this form with your check.
2. Make checks payable to: New York State Department of Health.
3. Record the audit number on your check.
4. Mail the check to:

[REDACTED]
New York State Department of Health
Medicaid Financial Management
GNARESP Corning Tower, Room 2739
File #: 2015Z76-008W
Albany, New York 12237