NEW YORK STATE
OFFICE OF THE MEDICAID INSPECTOR GENERAL

REVIEW OF NEW YORK STATE CATHOLIC HEALTH PLAN CAPITATION PAYMENTS FOR INCARCERATED ENROLLEES JANUARY 1, 2015 - DECEMBER 31, 2015

FINAL AUDIT REPORT
AUDIT #: 16-2103

Dennis Rosen
Medicaid Inspector General

July 14, 2016

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NEW YORK STATE | Office of the Medicaid Inspector General

ANDREW M. CUOMO
Governor

DENNIS ROSEN
Medicaid Inspector General

July 14, 2016

[redacted]
New York State Catholic Health Plan
95-25 Queens Boulevard, 8th Floor
Rego Park, New York 11374

Re: Final Audit Report
Audit #: 16-2103
Provider #: [redacted]

Dear [redacted]

The New York State Office of the Medicaid Inspector General (OMIG) has identified instances where New York State Catholic Health Plan (Plan) received monthly Medicaid and/or Family Health Plus capitation payments for enrollees incarcerated for a full payment month during the period from January 1, 2015 through December 31, 2015. In accordance with the Medicaid Managed Care and Family Health Plus/HIV Special Needs Plan Model Contract (Contract) and Section 517.6 of Title 18 of the Official Compilation of Codes, Rules and Regulations of the State of New York (18 NYCRR), this Final Audit Report represents the final determination on the issues found during the OMIG's review.

BACKGROUND

The New York State Department of Health (Department) is the state agency responsible for the administration of the Medicaid program. As part of its responsibility as an entity within the Department, the 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 the Department (Titles 10 and 18 of the NYCRR), the regulations of the Office of Mental Health (Title 14 of the NYCRR) and the Department's Medicaid Provider Manuals, *Medicaid Update* publications and the Contract.

PURPOSE AND SCOPE

The purpose of this audit was to identify instances where the Plan received a capitation payment from Medicaid when the enrollee was incarcerated for the entire payment month. The review includes capitation payments made to the Plan during the period from January 1, 2015 through December 31, 2015. These cases were identified by a computerized match comparing Medicaid and/or Family Health Plus managed care enrolled recipients to information provided by the New York State Department of Correctional and Community Supervision (DOCCS), Division of Criminal Justice Services (DCJS) and New York City Department of Correction (NYC DOC).

In accordance with 18 NYCRR Parts 517 and 518 and pursuant to the Contract, Section 3.6 (SDOH Right to Recover Premiums), Section 19.7 (OMIG Audit Authority), and Appendix H, the OMIG, on behalf of the Department, has a right to recover premiums paid to the Plan for enrollees listed on the monthly roster who are later determined to be ineligible for Managed Care for the entire applicable payment month.

FINDINGS

A Draft Audit Report was issued on April 14, 2016 identifying $23,264.64 in overpaid capitation payments made to the Plan while the enrollee was incarcerated for a full payment month. In accordance with 18 NYCRR Parts 517 and 518 and pursuant to the Contract, specifically Section 3.6, the OMIG, on behalf of the Department, has the right to recover premiums paid to the Plan for enrollees listed on the monthly roster who are later determined to have been ineligible for the entire applicable payment month. In its June 22, 2016 response (Attachment I) to the Draft Audit Report, the Plan confirmed the findings of the Draft Audit Report. As a result, the findings of the Final Audit Report remain unchanged from those cited in the Draft Audit Report.

The total amount of overpayment, as defined in 18 NYCRR 518.1(c), is $23,264.64. Subsequent to the issuance of the Draft Audit Report, the Plan submitted claim voids in the amount of $23,264.64. Therefore, there is no balance due the New York State Department of Health (Attachment II).

PROVIDER RIGHTS

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

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

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

The OMIG reserves the right to conduct further reviews of the Plan's participation in the Medicaid program, take action where appropriate, and recover any associated overpayments. Please contact if you have any questions regarding the above. Thank you for your cooperation.

Division of Medicaid Audit
Office of the Medicaid Inspector General