



Office of the
Medicaid Inspector
General

DENNIS ROSEN
Medicaid Inspector General

**Audit of Claims for Incorrectly-Designated
Federally Qualified Health Center (FQHC)
Locations Receiving
Enhanced Reimbursement for Medicare Part B
Services Paid from January 1, 2010 to
December 31, 2013**

**Final Audit Report
Audit #: 2015Z48-002A**

Martin Luther King Health Center

Provider ID #: [REDACTED]

NPI #: [REDACTED]



Office of the
Medicaid Inspector
General

ANDREW M. CUOMO
Governor

DENNIS ROSEN
Medicaid Inspector General

June 27, 2016

[REDACTED]
Martin Luther King Health Center
C/O Bronx Lebanon Hospital Center
1 Executive Boulevard, 2nd Floor
Yonkers, New York 10701

Final Audit Report
Audit #: 2015Z48-002A
Provider ID #: [REDACTED]

Dear [REDACTED]:

This is the Office of the Medicaid Inspector General's (OMIG) Final Audit Report for Martin Luther King Health Center (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 your response to the OMIG's November 19, 2015 Draft Audit Report, the OMIG reduced the Draft Audit Report overpayments of \$18,742.26 to \$18,487.11 in the Final Report. A detailed explanation of the revision is included in the Final Report.

Based on this determination, restitution of the overpayments as defined in 18 NYCRR 518.1 is required in the amount of \$18,487.11, inclusive of interest.

To obtain the password for the enclosed disc, please email [REDACTED]. 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 2015Z48-002A in all correspondence

Sincerely,

[REDACTED]

Office of the Medicaid Inspector General

Enclosure

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.

The New York State Office of the Medicaid Inspector General (OMIG) performed an audit of Medicaid claims for services also covered by Medicare Part B paid to providers who were incorrectly given Federally Qualified Health Center (FQHC) designation at certain of their locations. OMIG identified overpayments made due to incorrect FQHC designations by location for certain rate codes.

In accordance with Section 517.6 of Title 18 of the Official Compilation of Codes, Rules, and Regulations of the State of New York (18 NYCRR), this report represents the final determination on issues found during OMIG's review.

Objective

The objective of this audit was to review and recover improper payments for services also covered by Medicare Part B which OMIG identified as overpayments made due to incorrect FQHC designations by location for certain rate codes.

Audit Scope

An audit of claims for services also covered by Medicare Part B for certain rate codes at locations incorrectly designated as FQHCs paid by Medicaid for 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 claims paid for services also covered by Medicare Part B for certain rate codes at locations incorrectly designated as FQHCs for payment dates included in the period beginning January 1, 2010 and ending December 31, 2013.

OMIG identified the following findings:

1. **Overpayments of Services Also Covered by Medicare Part B for Certain Rate Codes at Locations Incorrectly Designated as FQHCs**

Regulations state: "By enrolling, the provider agrees... 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;"
18 NYCRR 504.3(e)

Regulations state: "By enrolling the provider agrees ... that the information provided in relation to any claim for payment shall be true, accurate, and complete."
18 NYCRR 504.3(h)

Regulations state: "By enrolling, the provider agrees... to comply with the rules, regulations and official directives of the department."
18 NYCRR 504.3(i)

Regulation 18 NYCRR 518.1(c) defines "overpayment" as "any amount not authorized to be paid under the medical assistance program, whether paid as the 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)

Medicaid policy states: "Medicaid payment for Medicare coinsurance for most Part B services provided to recipients eligible under both the Medicare and Medicaid Programs - dual-eligibles and Qualified Medicare Beneficiaries - will be reduced. Providers were sent a letter, dated June 6, 2003, signed by Kathryn Kuhmerker, Deputy Commissioner of the Office of Medicaid Management, that described the legislative mandate to change the Medicaid program's payment policy for dual-eligibles. The letter explained that effective July 1, 2003, the Medicaid program will no longer pay the full Medicare Part B coinsurance amount for dual-eligibles, but will instead pay 20% of the Medicare Part B coinsurance for most Part B services (except for ambulance, psychologist, and hospital-based/freestanding clinics)." "Clinic providers (categories of service 0160 and 0287) will continue to receive full coinsurance payment."
DOH Medicaid Update, August 2003, Vol. 18, No. 8

As a result of this finding, OMIG has determined that \$15,564.12 (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 19, 2015 using the Federal Reserve Prime Rate. For the overpayments identified in this audit, OMIG has determined that accrued interest of \$2,922.99 (Attachment 1) is now owed.

Based on this determination, the total amount due to DOH, as defined in 18 NYCRR Section 518.1, is \$18,487.11 (Attachment 1), inclusive of interest.

Do not submit claim voids or adjustments in response to the Final Audit Report. Repayment instructions are outlined on the next page.

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
Audit #: 2015Z48-002A
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
Phone #: [REDACTED]
Fax #: [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].

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

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

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

Martin Luther King Health Center
1 Executive Boulevard, 2nd Floor
Yonkers, New York 10701

Provider ID #: [REDACTED]

Audit #: 2015Z48-002A

Amount Due: \$18,487.11

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
Audit #: 2015Z48-002A
Albany, New York 12237