



Office of the  
Medicaid Inspector  
General

ANDREW M. CUOMO  
Governor

DENNIS ROSEN  
Medicaid Inspector General

March 31, 2016

[REDACTED]  
CVS Specialty  
1127 Bryn Mawr Avenue  
Suite A  
Redlands, CA 92374

Final Audit Report  
Audit # 15-4638  
Provider ID # [REDACTED]

Dear [REDACTED]

This letter constitutes the Office of the Medicaid Inspector General's (OMIG) Final Audit Report of payments to Caremark NJ Specialty Pharm LLC (the Provider) for pharmacy services paid by Medicaid covering the period of April 1, 2013, through September 30, 2013 as identified in the Office of the State Comptroller (OSC) Report 2013-S-12.

The New York State Department of Health (Department) is the single state agency responsible for the administration of the medical assistance (Medicaid) program. The OMIG is an independent office within the Department responsible for a variety of Medicaid program integrity functions. As part of its responsibilities, the OMIG conducts audits and reviews of various providers of Medicaid reimbursable services, equipment and supplies. These audits and reviews assess 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 of Health and the Department of Mental Hygiene (Titles 10, 14, and 18 of the Official Compilation of Codes, Rules and Regulations of the State of New York) and the Department's Medicaid Management Care Model Contract, Medicaid Management Information System (MMIS) Provider Manuals and *Medicaid Update* publications.

OSC is responsible for overseeing the fiscal affairs of State agencies, public authorities and local government agencies, as well as their compliance with relevant statutes and their observance of good business practices. This fiscal oversight is accomplished, in part, through audits performed pursuant to authority under Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law. OSC audits identify opportunities for improving operations, strategies for reducing costs, and strengthening controls.

During the audit period, \$48,676.79 was paid for 2 claims reimbursed. This review consisted of a review of OSC Report 2013-S-12, for the period of April 1, 2013, through September 30, 2013.

The purpose of the audit was to identify overpayments for pharmacy claims that were not in compliance with laws, regulations, and policies necessary for payment of the claims.

After reviewing the Provider's March 9, 2016 response to the OMIG's January 12, 2016 Draft Audit Report, as well as any other information/documentation submitted, OMIG has determined that for the period and scope reviewed, The Provider generally adhered to applicable Medicaid billing rules and regulations. The OMIG has concluded that no further action is required pertaining to this audit.

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 Section 519.18(a), 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, New York 12204

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

Issues you may raise shall be limited to those issues relating to determinations contained in the Final Audit Report. Further, issues must be limited to those you raised in any written response to the Draft Audit Report. The hearing request may not address issues regarding the methodology used to determine the rate, or any issue that was raised at a proceeding to appeal a rate determination.

The OMIG reserves the right to conduct further reviews of your participation in the Medicaid program, take action where appropriate, and recover any associated overpayments. If you have any questions regarding the above, please contact me at [REDACTED]. Thank you for your cooperation.

[REDACTED]

Division of Medicaid Audit, Albany Office  
Office of the Medicaid Inspector General

[REDACTED]

**EXHIBIT 1**

**FINAL DISPOSITION FOR SAMPLED SELECTIONS CHANGED FROM DRAFT TO  
FINAL AUDIT REPORT**

**CAREMARK NJ SPECIALTY PHARM LLC**

**OSC AUDIT #2013-S-12 OMIG AUDT #15-4638 PROVIDER # [REDACTED]**

**AUDT PERIOD 04/01/2013-09/30/2013**

TCN	Date of Service	Finding	Draft Report Amount Disallowed	Final Report Amount Disallowed	Change
[REDACTED]	5/8/2013	Invalid Fax Prescription	\$29,765.23	\$0.00	-\$29,765.23
[REDACTED]	5/24/2013	Invalid Fax Prescription	\$18,911.56	\$0.00	-\$18,911.56
		Total	\$48,676.79	\$0.00	-\$48,676.79