

NEW YORK STATE  
OFFICE OF THE MEDICAID INSPECTOR GENERAL

REVIEW OF AMIDA CARE, INC.  
CAPITATION PAYMENTS FOR DECEASED MANAGED CARE ENROLLEES  
FEBRUARY 1, 2011 – NOVEMBER 1, 2014

FINAL AUDIT REPORT  
AUDIT # 15-1103

Dennis Rosen  
Acting Medicaid Inspector General

May 14, 2015

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**Office of the  
Medicaid Inspector  
General**

**ANDREW M. CUOMO**  
Governor

**DENNIS ROSEN**  
Acting Medicaid Inspector General

May 14, 2015

[REDACTED]

AmidaCare Inc.  
248 West 35th Street, 7th Floor  
New York, New York 10001

Re: Final Audit Report  
Audit # 15-1103  
Provider # [REDACTED]

Dear [REDACTED]:

The New York State Office of the Medicaid Inspector General (OMIG) has identified instances where Amida Care, Inc. (Plan) received monthly Medicaid and/or Family Health Plus capitation payments in months when the enrollee was deceased. In accordance with the Medicaid Managed Care/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 (NYCRR), this 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 subsequent to the enrollee's month of death. These cases were identified by a computerized match comparing Medicaid and Family Health Plus managed care enrollees to New York State and New York City Vital Statistic death record information. The review includes all dates of death reported through December 31, 2013 to Vital Statistics.

In accordance with 18 NYCRR Parts 517 and 518 and pursuant to the Contract, Section 3.6 (Compensation – State Department of Health Right to Recover Premiums) and Appendix H, 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.

## FINDINGS

A Draft Audit Report was issued on March 17, 2015 identifying \$306,915 in overpaid capitation payments made to the Plan for periods subsequent to the enrollee's month of death. In its April 24, 2015 response to the Draft Audit Report, the Plan submitted documentation contesting a portion of the claims (Attachment II). Upon reviewing the documentation, the OMIG agreed to reduce the overpayments identified in the Draft Audit Report by \$3,326.34.

As stated in the Contract, specifically Section 3.6, Appendix H of the Contract and 18 NYCRR Parts 517 and 518, the OMIG, on behalf of the Department, has a right to recover such overpayments paid to the Plan for enrollees listed on the monthly roster.

Based on this determination, the total amount of the overpayment listed on Attachment III, as defined in 18 NYCRR 518.1(c), is \$303,588.66. Repayment of \$303,588.66 is due the New York State Department of Health.

## EFFECTIVE DATE

The OMIG, on behalf of the Department, is seeking to recover an overpayment in the amount of \$303,588.66 from the Plan, effective 20 days from the date of this Final Audit Report.

## PAYMENT OPTIONS

18 NYCRR Part 518 governs overpayments; the Plan's repayment options are described below.

### OPTION #1:

Make full payment by check or money order within 20 days of the date of the Final Audit Report. The check should be made payable to the New York State Department of Health, include the audit number and be sent with the attached Remittance Advice to:

[REDACTED]  
New York State Department of Health  
Medicaid Financial Management, B.A.M.  
GNARESP Corning Tower, Room 2739  
File # 15-1103  
Albany, New York 12237-0016

**OPTION #2:**

Enter into a repayment agreement with the Office of the Medicaid Inspector General. If your repayment terms exceed 90 days from the date of the Final Audit Report, recoveries of amounts due are subject to interest charges at the prime rate plus 2%. If the process of establishing the repayment agreement exceeds 20 days from the date of the Final Audit Report, the OMIG will impose a 50% withhold after 20 days until the agreement is established. OMIG acceptance of the repayment agreement is based on your repaying the Medicaid overpayment as agreed. The 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 the 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:

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

**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 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 [REDACTED].

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.

[REDACTED]  
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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 [REDACTED] at [REDACTED] or via e-mail at [REDACTED] if you have any questions regarding the above. Thank you for your cooperation.

Sincerely,

[REDACTED]

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

Attachments  
CERTIFIED MAIL # [REDACTED]  
RETURN RECEIPT REQUESTED

**NEW YORK STATE  
OFFICE OF THE MEDICAID INSPECTOR GENERAL  
REMITTANCE ADVICE**

**NAME AND ADDRESS OF AUDITEE**

AmidaCare Inc.  
248 West 35th Street, 7th Floor  
New York, New York 10001

**AMOUNT DUE: \$303,588.66**

**PROVIDER #:** [REDACTED]

**AUDIT # 15-1103**

**AUDIT  
TYPE**

PROVIDER  
 RATE-LTC  
 RATE-NH  
 MANAGED  
CARE

**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 check to:  

[REDACTED]  
New York State Department of Health  
Medicaid Financial Management, B.A.M.  
GNARESP Corning Tower, Room 2739  
File # 15-1103  
Albany, New York 12237-0016
5. If the provider number shown above is incorrect, please enter the correct number below.