



**Office of the  
Medicaid Inspector  
General**

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

**REVIEW OF YOUNG ADULT INSTITUTE, INC.  
CLAIMS FOR OPWDD SUPPORTED EMPLOYMENT SERVICES  
PAID FROM  
JANUARY 1, 2008 – JUNE 30, 2012**

**FINAL AUDIT REPORT  
AUDIT #: 12-5637**

**Dennis Rosen  
Medicaid Inspector General**

**October 1, 2015**



Office of the  
Medicaid Inspector  
General

ANDREW M. CUOMO  
Governor

DENNIS ROSEN  
Medicaid Inspector General

October 1, 2015



Young Adult Institute, Inc.  
460 West 34<sup>th</sup> Street  
New York, New York 10001

Re: Final Audit Report  
Audit #: 12-5637  
Provider ID #: [REDACTED]

Dear [REDACTED]:

Enclosed is the Office of the Medicaid Inspector General (OMIG) final audit report entitled "Review of Young Adult Institute, Inc." (Provider) paid claims for OPWDD supported employment (SEMP) services covering the period January 1, 2008, through June 30, 2012.

In the attached final audit report, the OMIG has detailed our scope, procedures, laws, regulations, rules and policies, sampling technique, findings, provider rights, and statistical analysis.

The OMIG has attached the sample detail for the paid claims determined to be in error. This final audit report incorporates consideration of any additional documentation and information presented in response to the draft audit report dated July 17, 2015. The adjusted mean point estimate overpaid is \$220,716. The adjusted lower confidence limit of the amount overpaid is \$87,020. We are 95% certain that the actual amount of the overpayment is greater than the lower confidence limit. This audit may be settled through repayment of the lower confidence limit of \$87,020.

[REDACTED]  
Page 2  
October 1, 2015

If the Provider has any questions or comments concerning this final audit report, please contact me at [REDACTED] or through email at [REDACTED]. Please refer to report number 12-5637 in all correspondence.

Sincerely,

[REDACTED]  
Division of Medicaid Audit, Albany Office  
Office of the Medicaid Inspector General

[REDACTED]  
Enclosure

CERTIFIED MAIL # [REDACTED]  
RETURN RECEIPT REQUESTED

[REDACTED]

## **OFFICE OF THE MEDICAID INSPECTOR GENERAL**

[www.omig.ny.gov](http://www.omig.ny.gov)

The mission of the Office of the Medicaid Inspector General (OMIG), as mandated by New York Public Health Law § 31 is to preserve 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.

### **DIVISION OF MEDICAID AUDIT**

The Division of Medicaid Audit professional staff conducts audits and reviews of Medicaid providers to assess compliance and program requirements and, where necessary, to recover overpayments. These activities are done to monitor the cost-effective delivery of Medicaid services for prudent stewardship of scarce dollars; to assess the required involvement of professionals in planning care to program beneficiaries; safeguard the quality of care, medical necessity and appropriateness of Medicaid services provided; and, to reduce the potential for fraud, waste and abuse.

### **DIVISION OF MEDICAID INVESTIGATIONS**

The Division of Medicaid Investigations (DMI) investigates potential instances of fraud, waste, and abuse in the Medicaid program. DMI deters improper behavior by inserting covert and overt investigators into all aspects of the program, scrutinizing provider billing and services, and cooperating with other agencies to enhance enforcement opportunities. Disreputable providers are removed from the program or prevented from enrolling. Recipients abusing the system are not removed from this safety net, but their access to services is examined and restricted, as appropriate. DMI maximizes cost savings, recoveries, penalties, and improves the quality of care for the state's most vulnerable population.

### **DIVISION OF TECHNOLOGY AND BUSINESS AUTOMATION**

The Division of Technology and Business Automation will continue to support the data needs for the OMIG in the form of audit and investigative support, data mining and analysis, system match and recovery, through the use of commercial data mining products and procurement of expert service consultants.

### **OFFICE OF COUNSEL TO THE MEDICAID INSPECTOR GENERAL**

The Office of Counsel to the Medicaid Inspector General promotes the OMIG's overall statutory mission through timely, accurate and persuasive legal advocacy and counsel.

## **EXECUTIVE SUMMARY**

### **BACKGROUND**

Pursuant to Title XIX of the Social Security Act, the Medicaid program provides medical assistance to low-income individuals and individuals with disabilities. The federal and state governments jointly fund and administer the Medicaid program. In New York State, the Department of Health (DOH) administers the Medicaid program. As part of this responsibility, the OMIG conducts audits and reviews of various providers of Medicaid reimbursable services, equipment and supplies. These audits and reviews are conducted to determine if the provider complied with applicable laws, regulations, rules and policies of the Medicaid program as set forth by the Departments of Health and Mental Hygiene [Titles 10, 14 and 18 of the Official Compilation of Codes, Rules and Regulations of the State of New York] and the Medicaid Provider Manuals.

People with developmental disabilities can enjoy meaningful relationships with family, friends and other people in their lives, experience personal health and growth, live in the home of their choice and fully participate in their communities. People with developmental disabilities may have difficulty learning as quickly as others, expressing themselves clearly, or taking care of their physical needs. But it is difficult to define the limits of people with developmental disabilities; what they need most, therefore, is not only encouragement and understanding – but an opportunity to become part of the community they live in. This is where the significance of the Home and Community Based Services (HCBS) waiver has its greatest impact. For example, in providing residential habilitation services, the HCBS waiver helps people achieve a functional connection to supports and services in the person's residence.

Outpatient services provided to persons with developmental disabilities are offered at programs licensed by the Office for People With Developmental Disabilities (OPWDD). The purpose of these programs is to offer a comprehensive system of services, which has as its primary purpose the promotion and attainment of independence, inclusion, and productivity for persons with mental retardation and developmental disabilities. These services are furnished at clinic and day treatment facilities and through a home and community based Federal waiver program. The waiver program, established under the authority of section 1915 [c] of the Social Security Act, is intended for persons with mental retardation and developmental disabilities who would otherwise need the level of care provided in an intermediate care facility. The specific standards and criteria for OPWDD services are outlined in Title 14 NYCRR Parts 635, 671, 679, and 690.

### **PURPOSE AND SCOPE**

The purpose of this audit was to determine whether the Provider's claims for Medicaid reimbursement for OPWDD supported employment services complied with applicable federal and state laws, regulations, rules and policies governing the New York State Medicaid Program. With respect to OPWDD supported employment service claims, this audit covered services paid by Medicaid from January 1, 2008, through June 30, 2012.

### **SUMMARY OF FINDINGS**

We inspected a random sample of 100 services with \$63,033.00 in Medicaid payments. Of the 100 services in our random sample, 9 services had at least one error and did not comply with state requirements. Of the 9 noncompliant services, some contained more than one deficiency. Specifics are as follows:

<u>Error Description</u>	<u>Number of Errors</u>
Staff Member Delivering the Supported Employment Service Absent of Date of Service	2
Unauthorized Supported Employment Service Provider	2
No Documentation of Service	2
Missing Required Elements for Monthly Billing	2
Missing Required Elements of the Supported Employment Plan	1
Supported Employment Service Delivered at an Invalid Location	1
Missing Location Waiver from Work-Site Visit	1

Based on the procedures performed, the OMIG has determined the Provider was overpaid \$5,887.00 in sample overpayments with an extrapolated adjusted point estimate of \$220,716. The adjusted lower confidence limit of the amount overpaid is \$87,020.

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## **INTRODUCTION**

### **BACKGROUND**

#### **Medicaid Program**

Pursuant to Title XIX of the Social Security Act, the Medicaid program provides medical assistance to low-income individuals and individuals with disabilities. The Federal and State governments jointly fund and administer the Medicaid program.

#### **New York State's Medicaid Program**

In New York State, the Department of Health (DOH) is the State agency responsible for operating the Medicaid program. Within DOH, the Office of Health Insurance Programs administers the Medicaid program. DOH uses the electronic Medicaid New York Information system (eMedNY), a computerized payment and information reporting system, to process and pay Medicaid claims, including OPWDD supported employment services claims.

As part of this responsibility, the OMIG conducts audits and reviews of various providers of Medicaid reimbursable services, equipment and supplies. These audits and reviews are conducted to determine if the provider complied with applicable laws, regulations, rules and policies of the Medicaid program as set forth by the Departments of Health and Mental Hygiene [Titles 10, 14 and 18 of the Official Compilation of Codes, Rules and Regulations of the State of New York] and the Medicaid Provider Manuals.

#### **New York State's OPWDD Supported Employment Program**

Outpatient services provided to persons with developmental disabilities are offered at programs licensed by the Office for People With Developmental Disabilities (OPWDD). The purpose of these programs is to offer a comprehensive system of services, which has as its primary purpose the promotion and attainment of independence, inclusion, and productivity for persons with mental retardation and developmental disabilities. These services are furnished at clinic and day treatment facilities and through a home and community based Federal waiver program. The waiver program, established under the authority of section 1915 [c] of the Social Security Act, is intended for persons with mental retardation and developmental disabilities who would otherwise need the level of care provided in an intermediate care facility. The specific standards and criteria for OPWDD services are outlined in Title 14 NYCRR Parts 635, 671, 679, and 690.

### **PURPOSE, SCOPE, AND METHODOLOGY**

#### **Purpose**

The purpose of this audit was to determine whether the Provider's claims for Medicaid reimbursement for OPWDD supported employment services complied with applicable Federal and State laws, regulations, rules and policies governing the New York State Medicaid Program and to verify that:

- Medicaid reimbursable services were rendered for the dates billed;
- appropriate rate or procedure codes were billed for services rendered;

- patient related records contained the documentation required by the regulations; and,
- claims for payment were submitted in accordance with DOH regulations and the appropriate Provider Manuals.

### **Scope**

Our audit period covered payments to the Provider for OPWDD supported employment services paid by Medicaid from January 1, 2008, through June 30, 2012. Our audit universe consisted of 4,752 claims totaling \$3,026,486.00.

During our audit, we did not review the overall internal control structure of the Provider. Rather, we limited our internal control review to the objective of our audit.

### **Methodology**

To accomplish our objective, we:

- reviewed applicable federal and state laws, regulations, rules and policies;
- held discussions with the Provider's management personnel to gain an understanding of the OPWDD supported employment services program;
- ran computer programming application of claims in our data warehouse that identified 4,752 paid OPWDD supported employment services claims, totaling \$3,026,486.00;
- selected a random sample of 100 services from the population of 4,752 services; and,
- estimated the overpayment paid in the population of 4,752 services.

For each sample selection we inspected, as available, the following:

- Medicaid electronic claim information
- Patient record, including, but not limited to:
  - List of all other affiliates and related parties
  - Operating certificate – during audit period and current
  - Training policy for SEMP
  - Supervision policy for SEMP
  - Notification of any self-disclosures
  - Notification of any audits of subject area by other federal/state agencies
  - List of staff members involved in recipient care, including license numbers or other credentials, signatures and initials
- Any additional documentation deemed by the Provider necessary to substantiate the Medicaid paid claim

## LAWS, REGULATIONS, RULES AND POLICIES

The following are applicable Laws, Regulations, Rules and Policies of the Medicaid program referenced when conducting this audit:

- Departments of Health, Mental Hygiene and Social Services [Titles 10, 14, and 18 of the Official Compilation of Codes, Rules and Regulations of the State of New York (10 NYCRR, 14 NYCRR, 18 NYCRR)].
- Medicaid Management Information System and eMedNY Provider Manual.
- Specifically, Title 18 NYCRR Sections 540.6, Title 14 NYCRR Part 635; *OPWDD Administrative Memoranda #2003-03, #2007-01, and #2012-01; Centers for Medicare & Medicaid Services CMCS Informational Bulletin, Sept. 2011*, and 34 CFR Section 361.47.
- In addition to any specific detailed findings, rules and/or regulations which may be listed below, the following regulations pertain to all audits:

Regulations state: "By enrolling the provider agrees: (a) to prepare and to maintain contemporaneous records demonstrating its right to receive payment . . . and to keep for a period of six years from the date the care, services or supplies were furnished, all records necessary to disclose the nature and extent of services furnished and all information regarding claims for payment submitted by, or on behalf of, the provider . . . (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; (f) to submit claims on officially authorized claim forms in the manner specified by the department in conformance with the standards and procedures for claims submission; . . . (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 Section 504.3*

Regulations state: "Fee-for-service providers. (1) All providers . . . must prepare and maintain contemporaneous records demonstrating their right to receive payment . . . All records necessary to disclose the nature and extent of services furnished and the medical necessity therefor . . . must be kept by the provider for a period of six years from the date the care, services or supplies were furnished or billed, whichever is later. (2) All information regarding claims for payment submitted by or on behalf of the provider is subject to audit for a period of six years from the date the care, services or supplies were furnished or billed, whichever is later, and must be furnished, upon request, to the department . . . for audit and review."

*18 NYCRR Section 517.3(b)*

Regulations require that bills for medical care, services and supplies contain patient name, case number and date of service; itemization of the volume and specific types of care, services and supplies provided; the unit price and total cost of the care, services and supplies provided; and a dated certification by the provider that the care, services and supplies itemized have been in fact furnished; that the amounts listed are in fact due and owing; that such records as are necessary to disclose fully the extent of care, services and supplies provided to individuals under the New York State Medicaid program will be kept for a period of not less than six years from the

date of payment; and that the provider understands that payment and satisfaction of this claim will be from Federal, State and local public funds and that he or she may be prosecuted under applicable Federal and State laws for any false claims, statements or documents, or concealment of a material fact provided.

*18 NYCRR Section 540.7(a)(1)-(3) and (8)*

Regulations state: "An overpayment includes any amount not authorized to be paid under the medical assistance program, whether paid as the result of inaccurate or improper cost reporting, improper claiming, unacceptable practices, fraud, abuse or mistake."

*18 NYCRR Section 518.1(c)*

Regulations state: "Vendor payments for medical care and other items of medical assistance shall not be made unless such care or other items of assistance have been furnished on the basis of the appropriate authorization prescribed by the rules of the board and regulations of the department."

*18 NYCRR Section 540.1*

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 Section 518.3(a)*

Regulations state: "The department may require repayment for inappropriate, improper, unnecessary or excessive care, services or supplies from the person furnishing them, or the person under whose supervision they were furnished, or the person causing them to be furnished...."

*18 NYCRR Section 518.3(b)*

Regulations state: "Medical care, services or supplies ordered or prescribed will be considered excessive or not medically necessary unless the medical basis and specific need for them are fully and properly documented in the client's medical record."

*18 NYCRR Section 518.3(b)*

## **AUDIT FINDINGS**

This audit report incorporates consideration of any additional documentation and information presented in response to the Draft Audit Report dated July 17, 2015. The information provided resulted in no change to any of the disallowances. The findings in the Final Audit Report are identical to those in the Draft Audit Report.

## AUDIT FINDINGS DETAIL

The OMIG's review of Medicaid claims paid to the Provider from January 1, 2008, through June 30, 2012, identified 9 claims with at least one error, for a total sample overpayment of \$5,887.00 (Attachment C). This audit report incorporates consideration of any additional documentation and information presented in response to the Draft Audit Report dated July 17, 2015. Appropriate adjustments were made to the findings.

### 1. Staff Member Delivering the Supported Employment Service Absent on Date of Service

OPWDD Administrative Memorandum #2007-01 states, "To bill for a month of Supported Employment when the person is employed for the full calendar month, staff must provide at least two services face-to-face, with each service provided on a separate day of the month." *OPWDD Administrative Memorandum #2007-01, p. 2*

In 2 instances pertaining to 2 recipients, the agency's time and attendance records indicated that the staff member delivering the supported employment service was absent for the date of service. This finding applies to Sample #'s 6 and 78.

### 2. Unauthorized Supported Employment Services Provider

Regulations state, ". . . Specific services and the intensity with which they are delivered will be set forth in an individualized service plan . . . ."

*14 NYCRR Section 635-10.2(a)*

OPWDD Administrative Memorandum #2007-01 states, "The ISP must include ... the category of waiver service provided (that is, Supported Employment) and identification of the Supported Employment Agency delivering the service as the provider of the service.

*OPWDD Administrative Memorandum #2007-01, p. 5*

In 2 instances pertaining to 2 recipients, the provider of the supported employment services was not listed on the ISP as the provider for the specific service. This finding applies to Sample #'s 7 and 60.

### 3. No Documentation of Service

Regulations require that by enrolling, the provider agrees: "to prepare and to maintain contemporaneous records demonstrating its right to receive payment under the medical assistance program and to keep for a period of six years . . . all records necessary to disclose the nature and extent of services furnished. . . ."

*18 NYCRR Section 504.3(a)*

Regulations further state, "All information regarding claims for payment submitted by or on behalf of the provider is subject to audit for a period of six years from the date the care, services or supplies were furnished or billed, whichever is later, and must be furnished, upon request, to the department, the Secretary of the United States Department of Health and Human Services, the Medicaid Fraud Control Unit or the New York State Department of Health for audit and review."

*18 NYCRR Section 517.3(b)(2)*

In 2 instances pertaining to 2 recipients, recipient records did not document a supported employment service. This finding applies to Sample #'s 12 and 41.

4. **Missing Required Elements for Supported Employment Daily Service Note Documentation**

OPWDD Administrative Memorandum #2007-01 states, "Documentation of each service required for monthly billing must include the following daily service note elements:

1. The person's name and Medicaid number (CIN). (Note that the CIN need not be included in daily documentation, rather it can appear in the person's Supported Employment Plan).
2. Identification of category of waiver service provided (that is, Supported Employment).
3. The date the Supported Employment service was provided.
4. **A description of the individualized service provided by Supported Employment staff**, which is based on the person's Supported Employment Plan. The service note must demonstrate an action by the supported Employment staff.... .
5. An indication as to whether the service was delivered in a "face-to-face" contact with the person.
6. The person's response to the service.... . The person's response must be documented in a monthly summary note or a provider may choose to include the person's response each time a Supported Employment service is rendered.
7. Location of the service provided, including a notation as to whether or not the service was provided at the person's job site.
8. **Verification of service provision by the Supported Employment staff person delivering the service.** That is, the Supported Employment staff person who delivered the service must sign, provide his/her work title, and include the date the service note was written, thus verifying that the service was delivered. (The date the note was written must be "contemporaneous" to the date the Supported Employment service was provided.
9. As necessary, documentation verifying that the DDSO has granted a waiver of work-site visits... .

**Note:** The above elements must be included in each of the required daily service notes that substantiate a Supported Employment claim."

*OPWDD Administrative Memorandum #2007-01, p. 4*

In 2 instances pertaining to 2 recipients, verification of service provision by the Supported Employment staff person delivering the service was missing in the supported employment daily service note. This finding applies to Sample #'s 66 and 73.

5. **Missing Required Elements of the Habilitation Plan for Supported Employment Services**

Regulations state: "If habilitation services are provided (i.e., residential habilitation, day habilitation, community habilitation [5/26/10 and after], supported employment, pre-vocational services), the relevant habilitation plan(s) must be developed, and on a semiannual basis thereafter, reviewed and revised as necessary by the habilitation service provider. The service coordinator shall attach the relevant habilitation plan(s) to the ISP."

*14 NYCRR Section 635-99.1(bk)*

OPWDD Administrative Memorandum #2007-01 states, "The following elements must be included in the Supported Employment Plan:

1. The person's (a) name and (b) Medicaid Identification Number (CIN),... .
2. The category of waiver service (that is, Supported Employment) and designation of the agency providing the Supported Employment service as the provider of service.
3. Valued Outcomes of the person receiving services.
4. Date on which the plan was last reviewed (Reviews must be performed every six months).
5. Anticipated level of support ... .
6. Location where the service will be provided ... .
7. Description of the individualized Supported Employment services.
8. If necessary, safeguards to be taken by the provider to ensure the person's health and safety.
9. Signature and title of the Supported Employment staff person writing the ... Plan and the date the plan was written. Further, for each required six month review of the ... Plan, evidence that the review was conducted which included the signature and title of the Supported Employment staff who conducted the review and the date of the review ... .

*OPWDD Administrative Memorandum #2007-01, pp. 5-6*

OPWDD Administrative Memorandum #2012-01 states, "Once the Habilitation Plan has been implemented, the Habilitation Plan must be reviewed at least twice annually."

*For services 4/01/2012 and after, OPWDD Administrative Memorandum #2012-01, p. 3*

In 1 instance, the necessary safeguards to be taken by the provider to ensure the person's health and safety was missing in the supported employment service plan. This finding applies to Sample # 12.

#### **6. Supported Employment Service Delivered at an Invalid Location**

OPWDD Administrative Memorandum #2007-01 states, "Required face-to-face Supported Employment services cannot be delivered when the person is admitted to an institutional setting (for example, nursing home or hospital). Also, required face-to-face Supported Employment services cannot be delivered at the same time the person is receiving another non-residential Medicaid service (for example, Day Habilitation). For service coordination purposes, Supported Employment and Medicaid Service Coordination (MSC) overlaps are permitted. Every effort should be made by the MSC to avoid visiting with person at the worksite."

*OPWDD Administrative Memorandum #2007-01, p. 3*

In 1 instance, the required face-to-face supported employment service was delivered at an invalid location or the service was delivered at the same time the recipient received another non-residential service. This finding applies to Sample # 60.

#### **7. Missing Signed Location Waiver**

OPWDD Administrative Memorandum #2007-01 states, "**For people who are employed, Supported Employment policy requires that Supported Employment staff provide face-to-face documented services at the person's work site.** In rare situations, if the employed individual does not want the job coach to visit him/her at the work site the

Supported Employment Agency can request a "Location Waiver" from the work-site visit. The Agency must send the request to the DDSO Supported Employment Coordinator stating the reason the person served does not want the job coach to come to the work site, as well as identifying the supports and services that will be provided to assist the person in achieving his/her valued outcomes related to employment. The DDSO will determine if the "Location Waiver" is granted, the Supported Employment Agency must maintain a copy of the waiver with the appropriate DDSO staff signature in the person's record."

*OPWDD Administrative Memorandum #2007-01, p. 3*

In 1 instance, a copy of the required "location waiver" with the appropriate DDSO or DDRO staff signature(s) was not found. This finding applies to Sample # 85.

## PROVIDER RIGHTS

In accordance with 18 NYCRR Part 518 which regulates the collection of overpayments, your repayment options are described below. If you decide to repay the adjusted lower confidence limit amount of \$87,020, one of the following repayment options must be selected within 20 days from the date of this letter:

**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 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 #12-5637  
Albany, New York 12237

**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

[REDACTED]

If you choose not to settle this audit through repayment of the adjusted lower confidence limit, you have the right to challenge these findings by requesting an administrative hearing where the OMIG would seek and defend the adjusted point estimate of \$220,716. As allowed by state regulations, you must make your request for a hearing, in writing, within sixty (60) days of the date of this report to:

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

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; and
- c) cross examine witnesses of the Department of Health and/or the OMIG.

The OMIG reserves the right to conduct further reviews of your participation in the Medicaid Program, take action where appropriate, and recover monies owed through the initiation of a civil lawsuit or other legal mechanisms including but not limited to the recovery of state tax refunds pursuant to Section 206 of the Public Health Law and Section 171-f of the State Tax Law.

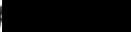
**NEW YORK STATE  
OFFICE OF THE MEDICAID INSPECTOR GENERAL  
REMITTANCE ADVICE**

NAME AND ADDRESS OF AUDITEE



Young Adult Institute, Inc.  
460 West 34<sup>th</sup> Street  
New York, New York 10001

PROVIDER ID #



AUDIT #12-5637

AMOUNT DUE: \$87,020

AUDIT  
TYPE

PROVIDER  
 RATE  
 PART B  
 OTHER:

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:

New York State Department of Health  
Medicaid Financial Management  
GNARESP Corning Tower, Room 2739  
File #12-5637  
Albany, New York 12237

*Thank you for your cooperation.*

## **SAMPLE DESIGN**

The sample design used for Audit #12-5637 was as follows:

- **Universe** - Medicaid claims for OPWDD supported employment services paid during the period January 1, 2008, through June 30, 2012.
- **Sampling Frame** - The sampling frame for this objective is the Medicaid electronic database of paid Provider claims for OPWDD supported employment services paid during the period January 1, 2008, through June 30, 2012.
- **Sample Unit** - The sample unit is a Medicaid claim paid during the period January 1, 2008, through June 30, 2012.
- **Sample Design** – Simple sampling was used for sample selection.
- **Sample Size** – The sample size is 100 services.

**SAMPLE RESULTS AND ESTIMATES**

Universe Size	4,752
Sample Size	100
Sample Value	\$ 63,033.00
Sample Overpayments	\$ 5,887.00
Confidence Level	90%

**Extrapolation of Sample Findings**

Sample Overpayments	\$ 5,887.00
Less Overpayments Not Extrapolated*	<u>(1,269.00)</u>
Sample Overpayments for Extrapolation Purposes	\$ 4,618.00

Sample Size	100
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Mean Dollars in Error for Extrapolation Purposes	\$ 46.18
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Universe Size	4,752
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Point Estimate of Total Dollars	\$ 219,447
Add Overpayments Not Extrapolated*	<u>1,269</u>
Adjusted Point Estimate of Totals Dollars	<u>\$ 220,716</u>

Lower Confidence Limit	\$ 85,751
Add Overpayments Not Extrapolated*	<u>1,269</u>
Adjusted Lower Confidence Limit	<u>\$ 87,020</u>

\* The actual dollar disallowance for the following findings was subtracted from the total sample overpayment and added to the Point Estimate and Lower Confidence Limit:

- **Finding #4 - Missing Required Elements for Supported Employment Daily Service Note Documentation**
- **Finding #5 - Missing Required Elements of the Habilitation Plan for Supported Employment Services**

The dollar disallowance associated with these findings was not used in the extrapolation. However, this does not apply if an extrapolated finding was also identified for a sampled claim





OFFICE OF THE MEDICAID INSPECTOR GENERAL  
YOUNG ADULT INSTITUTE INC SMP  
REVIEW OF OPWDD - SUPPORTED EMPLOYMENT SERVICES  
PROJECT NUMBER: 12-5637  
REVIEW PERIOD: 1/1/2008 - 6/30/2012

Sample Number	Date of Service	Rate Code		Amount		Overpayment		DETAILED AUDIT FINDINGS 1. Staff Member Delivering the Supported Employment Service on Date of Service 2. Unauthorized Supported Employment Services Provider 3. No Documentation of Supported Employment 4. Missing Required Employment Monthly Billing 5. Missing Required Elements for Supported Employment Plan 6. Supported Employment Plan Delivered at an Invalid Location 7. Missing Location Waiver from Work-Site Visit						
		Billed	Derived	Paid	Derived	Extrapolated	Not-Extrapolated							
51	10/01/09	4472	4472	\$ 490.00	\$ 490.00	\$ -	\$ -							
52	05/01/10	4473	4473	811.00	811.00	-	-							
53	06/01/10	4471	4471	538.00	538.00	-	-							
54	03/01/12	4473	4473	812.00	812.00	-	-							
55	02/01/08	4473	4473	536.00	536.00	-	-							
56	03/01/12	4472	4472	515.00	515.00	-	-							
57	05/01/12	4471	4471	538.00	538.00	-	-							
58	12/01/11	4472	4472	515.00	515.00	-	-							
59	12/01/10	4472	4472	525.00	525.00	-	-							
60	11/01/10	4472	-	525.00	-	525.00	-			X			X	
61	03/01/10	4472	4472	712.00	712.00	-	-							
62	10/01/11	4472	4472	720.00	720.00	-	-							
63	03/01/09	4471	4471	498.00	498.00	-	-							
64	10/01/09	4473	4473	552.00	552.00	-	-							
65	06/01/11	4472	4472	734.00	734.00	-	-							
66	04/01/11	4471	-	549.00	-	-	549.00					X		
67	09/01/08	4472	4472	665.00	665.00	-	-							
68	11/01/08	4472	4472	475.00	475.00	-	-							
69	04/01/10	4472	4472	712.00	712.00	-	-							
70	07/01/09	4472	4472	665.00	665.00	-	-							
71	05/01/11	4472	4472	734.00	734.00	-	-							
72	03/01/11	4472	4472	525.00	525.00	-	-							
73	04/01/12	4472	-	720.00	-	-	720.00					X		
74	11/01/09	4473	4473	771.00	771.00	-	-							
75	02/01/10	4472	4472	520.00	520.00	-	-							

OFFICE OF THE MEDICAID INSPECTOR GENERAL  
YOUNG ADULT INSTITUTE INC SMP  
REVIEW OF OPWDD - SUPPORTED EMPLOYMENT SERVICES  
PROJECT NUMBER: 12-5637  
REVIEW PERIOD: 1/1/2008 - 6/30/2012

Sample Number	Date of Service	Rate Code		Amount		Overpayment		DETAILED AUDIT FINDINGS							
		Billed	Derived	Paid	Derived	Extrapolated	Not-Extrapolated	1. Staff Member Delivering the Supported Employment Service on Date of Service	2. Unauthorized Supported Employment Services Provider	3. No Documentation of Supported Employment	4. Missing Required Elements for Monthly Billing	5. Missing Required Elements for Supported Employment Plan	6. Supported Employment Elements of the Delivered at an Invalid Location	7. Missing Location Waiver from Work-Site Visit	
76	05/01/08	4472	4472	\$ 642.00	\$ 642.00	\$ -	\$ -								
77	06/01/11	4472	4472	525.00	525.00	-	-								
78	04/01/12	4471	-	538.00	-	538.00	-	X							
79	05/01/10	4471	4471	538.00	538.00	-	-								
80	06/01/09	4473	4473	552.00	552.00	-	-								
81	11/01/10	4471	4471	549.00	549.00	-	-								
82	03/01/11	4472	4472	734.00	734.00	-	-								
83	01/01/10	4472	4472	685.00	685.00	-	-								
84	07/01/10	4472	4472	720.00	720.00	-	-								
85	01/01/12	4473	-	581.00	-	581.00	-							X	
86	04/01/11	4472	4472	734.00	734.00	-	-								
87	10/01/10	4472	4472	734.00	734.00	-	-								
88	11/01/09	4472	4472	685.00	685.00	-	-								
89	10/01/09	4471	4471	513.00	513.00	-	-								
90	07/01/08	4472	4472	475.00	475.00	-	-								
91	08/01/10	4472	4472	734.00	734.00	-	-								
92	03/01/12	4473	4473	581.00	581.00	-	-								
93	05/01/09	4471	4471	368.00	368.00	-	-								
94	06/01/09	4473	4473	748.00	748.00	-	-								
95	09/01/10	4473	4473	828.00	828.00	-	-								
96	06/01/11	4472	4472	734.00	734.00	-	-								
97	09/01/10	4472	4472	734.00	734.00	-	-								
98	04/01/12	4472	4472	720.00	720.00	-	-								
99	09/01/11	4471	4471	538.00	538.00	-	-								
100	02/01/10	4472	4472	712.00	712.00	-	-								
<b>Totals</b>				<b>\$ 63,033.00</b>	<b>\$ 57,146.00</b>	<b>\$ 4,618.00</b>	<b>\$ 1,269.00</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	