



**Office of the
Medicaid Inspector
General**

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

**REVIEW OF SAFEWAY PHARMACY, INC.
CLAIMS FOR DIABETIC TEST STRIP SUPPLIES
PAID FROM
JANUARY 1, 2010 – DECEMBER 31, 2012**

**FINAL AUDIT REPORT
OMIG AUDIT #: 14-1956
CMS AUDIT #: 1-10996505**

**Dennis Rosen
Medicaid Inspector General**

October 30, 2015



Office of the
Medicaid Inspector
General

ANDREW M. CUOMO
Governor

DENNIS ROSEN
Medicaid Inspector General

October 30, 2015

[REDACTED]
Safeway Pharmacy, Inc.
493 E. 138th Street
Bronx, New York 10454-4046

Re: Final Audit Report
OMIG Audit #: 14-1956
CMS Audit #: 1-10996505
Provider ID #: [REDACTED]
NPI #: [REDACTED]

Dear [REDACTED]:

The IPRO Healthcare Integrity Group (IPRO) has been contracted by the Centers for Medicare & Medicaid Services (CMS) to audit providers participating in the New York Medicaid program. Under authority of the Medicaid Integrity Program, IPRO conducted an audit claims for diabetic test strip supplies paid to Safeway Pharmacy, Inc. (Provider) between January 1, 2010, and December 31, 2012. IPRO issued a draft audit report to the Provider on February 20, 2015.

In accordance with the collaborative audit plan approved by the CMS and OMIG, OMIG is charged with reviewing IPRO's audit findings and issuing the enclosed final audit report.

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 February 20, 2015. The adjusted mean point estimate overpaid is \$125,812. The adjusted lower confidence limit of the amount overpaid is \$111,087. 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 adjusted lower confidence limit of \$111,087.

[REDACTED]

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October 30, 2015

If the Provider has any questions or comments concerning this final audit report, please contact [REDACTED]. Please refer to report number 14-1956 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]

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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

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. 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 inpatient chemical dependency rehabilitation treatment 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 Pharmacy Program

Pharmacy is a professional practice, which includes a number of activities that are necessary for the provision of drugs for patients as ordered by persons authorized under State law to prescribe drugs. Pharmacies, which are licensed and currently registered by the New York State Board of Pharmacy, Department of Education, may dispense drugs and other medical/surgical supplies. The pharmacy must comply with all applicable provisions of State Law including Article 137 of the Education Law, Articles 1 and 33 of the Public Health Law, and the Pharmacy Guide to Practice (Pharmacy Handbook) issued by the Department of Education. The specific standards and criteria for pharmacies are outlined in Title 10 NYCRR Parts 80 and 85.20-22 and Title 18 NYCRR Section 505.3. The MMIS Provider Manual for Pharmacy also provides program guidance for claiming Medicaid reimbursement for pharmacy services.

PURPOSE, SCOPE, AND METHODOLOGY

Purpose

The purpose of this audit was to determine whether the Provider's claims for Medicaid reimbursement for diabetic test strip supply claims 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

The audit period covered payments to the Provider for diabetic test strip supply claims paid by Medicaid from January 1, 2010, through December 31, 2012. The audit universe consisted of 3,021 claims with a total Medicaid payment of \$238,760.84.

During this audit, IPRO did not review the overall internal control structure of the Provider. Rather, they limited the internal control review to the objective of the audit.

Auditors reviewed a random sample of 250 claims with \$30,877.06 in Medicaid payments. Of the 250 claims in the random sample, 155 claims had at least one error and did not comply with state requirements. Of the 155 noncompliant claims, some claims contained more than one deficiency. Specifics are as follows:

<u>Error Description</u>	<u>Number of Errors</u>
No Explanation of Benefits (EOB)/Documentation for Medicare Covered Item	126
Pharmacy Billed in Excess of Prescribed Quantity	41
Other Insurance Payment Not Applied	34
Ordering Prescriber Conflicts with Claim Prescriber	21

Based on the procedures performed, the OMIG has determined the Provider was overpaid \$19,333.00 in sample overpayments with an extrapolated adjusted point estimate of \$125,812. The adjusted lower confidence limit of the amount overpaid is \$111,087.

Methodology

To accomplish the objective, IPRO:

- reviewed applicable federal and state laws, regulations, rules and policies;
- held discussions with the Provider's management personnel to gain an understanding of the diabetic test strip supply program;
- ran computer programming application of claims in the Medicaid data warehouse that identified 3,021 paid diabetic test strip supply claims, totaling \$238,760.84;
- selected a random sample of 250 claims from the population of 3,021 claims; and,
- estimated the overpayment paid in the population of 3,021 claims.

Documentation Reviewed

Documentation and records to support services reimbursed by the New York State Department of Health were copied and reviewed on-site at the Provider's facility. No original records were removed from the Provider's premises. After the on-site review, the Provider was asked to provide the additional documents necessary to complete the audit, which were not located during the on-site review. These records were delivered by Safeway to IPRO's Lake Success office for review.

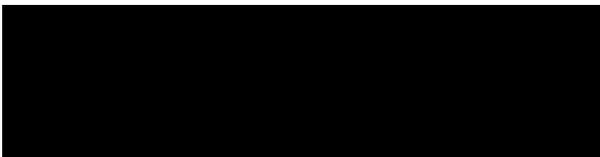
The documents collected were analyzed to identify any billing irregularities or deviations from Medicaid laws and regulations, and the Provider agreement. These documents included Prescriber Fiscal Orders/Prescriptions, delivery receipts, accounting records and patient information status.

The claims universe was focused on identifying paid claims for diabetic test strip supplies.

An Exit Conference was held with Safeway and its representatives on July 8, 2014. The Provider did not send a response to the findings discussed at the Exit Conference or in the Draft Audit Report. The results of the review are contained in Audit Findings Section of this report.

Audit Staff:

The following staff conducted this audit:



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 Section 540.6.
- 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

The following detailed findings reflect the results of the audit:

1. No Explanation of Benefits (EOB)/Documentation for Medicare Covered Item

Regulations state: "MA program as payment source of last resort. Where a third party, such as a health insurer or responsible person, has a legal liability to pay for MA-covered services on behalf of a recipient, the department or social services district will pay only the amount by which the MA reimbursement rate for the services exceeds the amount of the third party liability. The department or social services district will also pay if the third party payment will not be made within a reasonable time. The department or social services district will seek reimbursement for any payments for care and services it makes for which a third party is legally responsible. They will seek reimbursement to the extent of the third party's legal liability unless the amount reasonably expected to be recovered is less than the cost of making the recovery."

18 NYCRR Section 360-7.2

Regulations state, "The MA program will pay on behalf of qualified Medicare beneficiaries ...the full amount of any deductible and coinsurance costs incurred under Part A of B of Title XVIII of the Social Security Act (Medicare)"

18 NYCRR Section 360-7.7(a)

Medicaid policy states:

"For a service with both Medicare and Medicaid coverage, all charges for services must first be billed to Medicare.

Only after Medicare payment information is received, may a claim be submitted for Medicaid reimbursement.

The pharmacist must maintain all Medicare payment information when Medicaid is billed on file for six years following the date of payment for audit purposes."

*NYS Medicaid Program Pharmacy Manual
Policy Guidelines, Version 2008-1, 2009-1 2010-1, 2010-2 & 2011-1; Section I*

Medicaid Policy states:

"Utilization of Insurance Benefits

The Medicaid Program is designed to provide payment for medical care and services only after all other resources available for payments have been exhausted; Medicaid is the payer of last resort....

....Medicaid requires providers to exhaust all existing benefits prior to the billing of the Medicaid Program. If an enrollee has third-party insurance coverage, he/she **must** inform the LDSS of that coverage and to use its benefits to the fullest extent before using Medicaid. Supplementary payments may be made by Medicaid when appropriate."

*NYS Medicaid Program, Information for all Providers, General Policy,
Version 2008-2, Version 2010-1, Version 2010-2, Version 2011-1, Version 2011-2*

NYS Medicaid Update states:

“Medicaid law and regulations require that, when a recipient is eligible for both Medicare and Medicaid or has other insurance benefits:

*The provider must bill Medicare or the other insurance first for **covered services prior to submitting a claim to Medicaid.***

The Medicaid program is designed to provide payment for medical care and services only after all other resources available for payments have been exhausted; Medicaid is always payor of last resort. Providers must maximize all applicable insurance sources before submitting claims to Medicaid. When coverage is available, payment from other insurance sources must be received before submitting a Medicaid claim.

- If the service is covered, or the provider does not know if the service is covered by Medicare and/or other available insurance, the provider must first submit a claim to Medicare and/or other insurer.
- Only when you are certain that Medicare or another insurer does not cover the service, can you bill Medicaid solely, and not bill other insurer first.

It is important to maintain appropriate financial documentation supporting your determination of available resources, collection efforts and the receipt of funds, as well as their application. These records must be made available to authorized Department personnel for audit purposes.”

*New York State Medicaid Update
December 2005 (Vol. 20, No. 13)
“Billing Requirements for Patients Eligible for Both Medicare
and Medicaid or Who May Have Other Insurance”*

In 126 instances, Medicare EOBs were not in the records of patients who had Medicare coverage and Medicaid was billed prior to billing Medicare.

2. Pharmacy Billed in Excess of Prescribed Quantity

Regulations state: “By enrolling the Provider agrees... 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” and “that the information provided in relation to any claim for payment shall be true, accurate and complete.”

18 NYCRR Sections 504.3(f) and (h)

For medical/surgical supply orders, Medicaid policy states: “If the ordering practitioner does not request a quantity that corresponds to the pre-packaged unit, the pharmacist may provide the item in the pre-packaged quantity that most closely approximates the amount ordered.”

*NYS Medicaid Program Pharmacy Manual Policy Guidelines,
Version 2007-1, 2008-1, 2009-1, 2010-1 Section I*

In 41 instances, the quantity billed was in excess of quantity ordered by the ordering physician.

Note: If this is the only finding, the recoupment amount is the amount paid for the excess quantity billed. If there are other findings for the claim with this finding, the recoupment amount is the amount paid for the claim.

3. Other Insurance Payment Not Applied

Regulations state: "MA program as payment source of last resort. Where a third party, such as a health insurer or responsible person, has a legal liability to pay for MA-covered services on behalf of a recipient, the department or social services district will pay only the amount by which the MA reimbursement rate for the services exceeds the amount of the third party liability. The department or social services district will also pay if the third party payment will not be made within a reasonable time. The department or social services district will seek reimbursement for any payments for care and services it makes for which a third party is legally responsible. They will seek reimbursement to the extent of the third party's legal liability unless the amount reasonably expected to be recovered is less than the cost of making the recovery."

18 NYCRR Section 360-7.2

Regulations state, "Any insurance payments including Medicare must be applied against the total purchase price of the item."

18 NYCRR Section 505.5(d)(1)(v)

In 34 instances, patients had other insurance that was not applied.

4. Ordering Prescriber Conflicts with Claim Prescriber

Medicaid policy states:

Prescriptions from Practitioners

Enter the Medicaid ID Number of the ordering/prescribing provider. If the orderer/prescriber is not enrolled in the Medicaid program, enter his/her License number.

Prescriptions from Facilities

For orders originating in a hospital, clinic, or other health care facility, the following rules apply: When a prescription is written by an unlicensed intern or resident, the supervising physician's Medicaid ID number or license number should be entered in this field. The facility's Medicaid ID number may be entered **only** when the prescriber's or the supervising physician's Medicaid ID or license number is unavailable. When prescriptions have been written by a Physician's Assistant, the supervising physician's Medicaid ID number or license number should be entered in this field. Licenses issued to Nurse Practitioners certified to write prescriptions have seven characters which includes the letter "F" followed by six digits. **Example:** F012346. Certified Nurse Practitioners with licenses that contain six digits not preceded by the letter F can only write fiscal orders. If the prescribing provider is a Nurse Practitioner certified to write prescriptions, enter his/her Medicaid ID number or license number in this field.

Note: If the Medicaid ID or State License number of an authorized prescriber is not on the prescription, it is the pharmacist's responsibility to obtain it."

In addition, "If a license number is indicated in field 10A, the Profession Code that identifies the ordering/prescribing provider's profession must be entered in this field."

*NYS Medicaid Program Pharmacy Manual
Billing Guidelines Version 2008-1, Section II*

Medicaid policy states:

Prescriptions from Practitioners

Enter the NPI of the ordering/prescribing provider

Prescriptions from Facilities

For orders originating in a hospital, clinic, or other health care facility, the following rules apply:

When a prescription is written by an unlicensed intern or resident, the supervising physician's NPI should be entered in this field.

*NYS Medicaid Program Pharmacy Manual
Billing Guidelines Version 2009-1, Section II*

Medicaid policy states:

Prescriptions from Practitioners

Enter the NPI of the ordering/prescribing provider.

Prescriptions from Facilities

For orders originating in a hospital, clinic, or other health care facility, the following rules apply:

When a prescription is written by an unlicensed intern or resident, the supervising physician's NPI should be entered in this field.

*NYS Electronic Medicaid System eMedNY 000301 Billing Guidelines
Pharmacy Version, 2010-1, Section 2.4.1*

Medicaid policy states:

For orders originating in a hospital, clinic, or other health care facility, the following rules apply:

When a prescription is written by an unlicensed intern or resident, the supervising physician's NPI should be entered in this field.

NYS eMedNY Billing Guidelines Pharmacy Version, 2011-1, Section 2.4.1

NYS Medicaid Update states:

Only the provider identification number, or license number and profession code, of the actual practitioner who is licensed to order, refer or prescribe should be entered as the ordering/referring/prescribing provider on a Medicaid claim.

*New York State Medicaid Update
January 2008 (Vol. 24, No. 1)
Use the Correct Provider Identification Number on Medicaid Claims*

NYS Medicaid Update states:

Beginning December 2, 2010, all pharmacy claims should include the Prescriber NPI in the Prescriber ID field (411-DB) and a "01" in the Provider ID Qualifier field (465-EY).

*New York State Medicaid Update
October 2010 (Vol. 26, No. 12)
UPDATE: Prescriber's National Provider Identifier (NPI)*

NYS Medicaid Update states:

All pharmacy claims should include the prescriber's NPI in the Prescriber ID field (NCPDP field 411-DB) and a "01" in the Prescriber ID Qualifier field (NCPDP field 466-EZ).

*New York State Medicaid Update
November 2010 (Vol. 26, No. 13)*

*Additional Information/Reminder; Prescriber's Individual National Provider Identifier (NPI)
Required on All Pharmacy Claims Submissions*

In 21 instances the ordering prescriber conflicted with the claim prescriber.

Note: If this is the only finding for the claim, the finding will not be extrapolated.

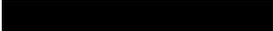
OVERPAYMENTS

The OMIG's review of Medicaid claims paid to the Provider from January 1, 2010, through December 31, 2012, identified 155 claims with at least one error, for a total sample overpayment of \$19,333.00 (Appendix A). The extrapolated adjusted point estimate overpayment is \$125,812 and the adjusted lower confidence limit overpayment of \$111,087. This audit report incorporates consideration of any additional documentation and information presented in response to the Draft Audit Report, dated February 20, 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.

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 \$111,087, 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:


New York State Department of Health
Medicaid Financial Management
GNARESP Corning Tower, Room 2739
File #14-1956
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


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 \$125,812. 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

[REDACTED]
Safeway Pharmacy, Inc.
493 E. 138th Street
Bronx, New York 10454-4046

PROVIDER ID # [REDACTED]

AUDIT #14-1956

AUDIT
TYPE

PROVIDER
 RATE
 PART B
 OTHER:

AMOUNT DUE: \$111,087

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
GNARESP Corning Tower, Room 2739
File #14-1956
Albany, New York 12237

Thank you for your cooperation.

Appendix A
 Findings For Each Sample Item

IPRO Record # ^	Sample #	Date of Service	Date of Payment	NDC	Qty	Rx	Amount Paid	Corrected Amount	Recoupment Amount	Federal Fiscal Year	Federal Share %	Federal Share Amount	Error Codes			
													1. No Explanation of Benefits (EOB) / Documentation for Medicare Covered Items	2. Pharmacy Billed in Excess of Prescribed Quantity *	3. Other Insurance Payments Not Applied	4. Ordering Prescriber Conflicts with Claim Prescriber @
1	114	12/28/09	01/04/10	53885024450	100	144024	\$ 101.85	\$ -	\$ 101.85	2010	61.59%	\$ 62.73	X			
2	33	01/04/10	01/11/10	53885024450	150	141184	\$ 154.28	\$ -	\$ 154.28	2010	61.59%	\$ 95.02	X			
3	21	01/05/10	01/11/10	53885024450	200	147071	\$ 204.70	\$ -	\$ 204.70	2010	61.59%	\$ 126.07		X		X
4	53	01/08/10	01/18/10	53885024450	200	147515	\$ 204.70	\$ -	\$ 204.70	2010	61.59%	\$ 126.07	X	X		
5	35	01/08/10	01/18/10	53885024450	200	146351	\$ 204.70	\$ 153.53	\$ 51.17	2010	61.59%	\$ 31.52		X		
6	39	01/12/10	01/18/10	53885024450	200	139921	\$ 204.70	\$ -	\$ 204.70	2010	61.59%	\$ 126.07	X	X		
7	128	01/18/10	01/25/10	53885024450	100	154084	\$ 101.85	\$ -	\$ 101.85	2010	61.59%	\$ 62.73	X		X	
8	12	01/18/10	01/25/10	53885024450	200	154130	\$ 204.70	\$ -	\$ 204.70	2010	61.59%	\$ 126.07	X	X		X
9	168	01/19/10	01/25/10	53885024450	100	154050	\$ 101.85	\$ -	\$ 101.85	2010	61.59%	\$ 62.73	X			
11	9	01/23/10	02/01/10	53885024450	150	145086	\$ 153.28	\$ -	\$ 153.28	2010	61.59%	\$ 94.41	X		X	
12	52	01/25/10	02/01/10	53885024450	200	155147	\$ 204.70	\$ 102.35	\$ 102.35	2010	61.59%	\$ 63.04		X		
13	210	01/27/10	02/01/10	53885024450	50	155334	\$ 50.43	\$ -	\$ 50.43	2010	61.59%	\$ 31.06	X			
15	107	01/28/10	02/08/10	53885024450	100	155542	\$ 101.85	\$ -	\$ 101.85	2010	61.59%	\$ 62.73	X			
16	27	02/01/10	02/08/10	53885024450	150	141184	\$ 161.87	\$ -	\$ 161.87	2010	61.59%	\$ 99.70	X			
17	138	02/03/10	02/08/10	53885024450	100	148829	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X		X	
18	59	02/04/10	02/15/10	53885024450	200	156499	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		X
20	49	02/06/10	02/15/10	53885024450	200	147515	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		
21	180	02/10/10	02/15/10	53885024450	100	149861	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			
26	151	02/23/10	03/01/10	53885024450	100	159025	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			
27	20	02/24/10	03/01/10	53885024450	200	146790	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X			
30	105	03/02/10	03/08/10	53885024450	100	157446	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			X
31	63	03/02/10	03/08/10	53885024450	200	156499	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		X
33	28	03/08/10	03/15/10	53885024450	200	147515	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		
36	79	03/13/10	03/22/10	53885024450	100	162083	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X		X	
37	19	03/13/10	03/22/10	53885024450	150	145086	\$ 160.87	\$ -	\$ 160.87	2010	61.59%	\$ 99.08	X		X	
39	195	03/20/10	03/29/10	53885024450	100	148238	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			
40	51	03/22/10	03/29/10	53885024450	200	151991	\$ 215.82	\$ -	\$ 215.82	2010	61.59%	\$ 132.92		X	X	
41	46	03/23/10	03/29/10	53885024450	200	155147	\$ 214.82	\$ 107.41	\$ 107.41	2010	61.59%	\$ 66.15		X		
42	89	03/24/10	03/29/10	53885024450	100	159419	\$ 107.91	\$ -	\$ 107.91	2010	61.59%	\$ 66.46				X
43	6	03/24/10	03/29/10	53885024450	200	146790	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		
44	26	03/25/10	04/05/10	53885024450	200	156499	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		X
46	18	03/25/10	04/05/10	53885024450	150	141184	\$ 161.87	\$ -	\$ 161.87	2010	61.59%	\$ 99.70	X			
48	117	03/27/10	04/05/10	53885024450	100	154084	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X		X	
51	38	04/05/10	04/12/10	53885024450	200	147515	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		
52	97	04/05/10	04/12/10	53885024450	100	156025	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			

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* If Error #2 is the only error, recoupment amt. is the amt. paid for the excess quantity.

@ If Error #4 is the only error, the recoupment amt. is not extrapolated.

Appendix A
 Findings For Each Sample Item

IPRO Record # ^	Sample #	Date of Service	Date of Payment	NDC	Qty	Rx	Amount Paid	Corrected Amount	Recoupment Amount	Federal Fiscal Year	Federal Share %	Federal Share Amount	Error Codes			
													1. No Explanation of Benefits (EOB) / Documentation for Medicare Covered Items	2. Pharmacy Billed in Excess of Prescribed Quantity *	3. Other Insurance Payments Not Applied	4. Ordering Prescriber Conflicts with Claim Prescriber @
53	74	04/12/10	04/19/10	53885024450	100	162980	\$ 107.91	\$ -	\$ 107.91	2010	61.59%	\$ 66.46	X			
55	202	04/15/10	04/26/10	53885024450	100	166924	\$ 107.91	\$ -	\$ 107.91	2010	61.59%	\$ 66.46	X			
56	57	04/15/10	04/26/10	53885024450	200	166939	\$ 214.82	\$ 107.41	\$ 107.41	2010	61.59%	\$ 66.15		X		
57	193	04/19/10	04/26/10	53885024450	100	156232	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			
58	56	04/19/10	04/26/10	53885024450	200	156499	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		
63	179	04/21/10	04/26/10	53885024450	100	159186	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			
64	32	04/22/10	05/03/10	53885024450	200	168010	\$ 214.82	\$ 161.11	\$ 53.71	2010	61.59%	\$ 33.08		X		
65	30	04/29/10	05/10/10	53885024450	200	147515	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		
66	64	04/30/10	05/10/10	53885024450	200	169402	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		
67	186	05/04/10	05/10/10	53885024450	100	162083	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X		X	
68	190	05/08/10	05/17/10	53885024450	100	155914	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X		X	
69	43	05/08/10	05/17/10	53885024450	200	151991	\$ 215.82	\$ -	\$ 215.82	2010	61.59%	\$ 132.92		X	X	
70	147	05/08/10	05/17/10	53885024450	100	162980	\$ 107.91	\$ -	\$ 107.91	2010	61.59%	\$ 66.46	X			
71	244	05/11/10	05/17/10	53885024450	50	171272	\$ 52.96	\$ -	\$ 52.96	2010	61.59%	\$ 32.62	X			
72	108	05/12/10	05/17/10	53885024450	100	171643	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X		X	
74	40	05/14/10	05/24/10	53885024450	200	156499	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		
76	13	05/24/10	05/31/10	53885024450	200	169402	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X			
77	34	05/26/10	05/31/10	53885024450	200	146790	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		X
78	200	05/29/10	06/07/10	53885024450	100	157446	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			X
81	184	06/09/10	06/14/10	53885024450	100	176756	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			
83	145	06/12/10	06/21/10	53885024450	100	172935	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85			X	
84	83	06/12/10	06/21/10	53885024450	100	177571	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X		X	
85	66	06/15/10	06/21/10	53885024450	100	160178	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			
88	132	06/22/10	06/28/10	53885024450	100	170079	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			
89	124	06/24/10	07/05/10	53885024450	100	170196	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85				X
90	149	06/24/10	07/05/10	53885024450	100	159479	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X		X	
92	125	06/30/10	07/05/10	53885024450	100	171643	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X		X	
93	8	07/01/10	07/12/10	53885024450	200	181045	\$ 214.82	\$ 161.12	\$ 53.70	2010	61.59%	\$ 33.07		X		
94	14	07/02/10	07/12/10	53885024450	200	181302	\$ 215.82	\$ -	\$ 215.82	2010	61.59%	\$ 132.92		X	X	
98	65	07/10/10	07/19/10	53885024450	100	159025	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			
99	213	07/09/10	07/19/10	53885024450	50	182586	\$ 52.96	\$ -	\$ 52.96	2010	61.59%	\$ 32.62	X			
100	7	07/13/10	07/19/10	53885024450	200	169402	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		
101	176	07/13/10	07/19/10	53885024450	100	166924	\$ 107.91	\$ -	\$ 107.91	2010	61.59%	\$ 66.46	X			
103	86	07/22/10	08/02/10	53885024450	100	177571	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X		X	
104	42	07/28/10	08/02/10	53885024450	200	181302	\$ 215.82	\$ -	\$ 53.96	2010	61.59%	\$ 33.23		X	X	

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 * If Error #2 is the only error, recoupment amt. is the amt. paid for the excess quantity.
 @ If Error #4 is the only error, the recoupment amt. is not extrapolated.

Appendix A
 Findings For Each Sample Item

IPRO Record # ^	Sample #	Date of Service	Date of Payment	NDC	Qty	Rx	Amount Paid	Corrected Amount	Recoupment Amount	Federal Fiscal Year	Federal Share %	Federal Share Amount	Error Codes			
													1. No Explanation of Benefits (EOB) / Documentation for Medicare Covered Items	2. Pharmacy Billed in Excess of Prescribed Quantity *	3. Other Insurance Payments Not Applied	4. Ordering Prescriber Conflicts with Claim Prescriber @
106	17	08/06/10	08/16/10	53885024450	200	181836	\$ 214.82	\$ 53.70	\$ 161.12	2010	61.59%	\$ 99.23		X		
107	31	08/07/10	08/16/10	53885024450	200	169402	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X	X		
108	95	08/06/10	08/16/10	53885024510	100	180629	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			
111	103	08/16/10	08/23/10	53885024450	100	189813	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85				X
112	146	08/24/10	08/30/10	53885024510	100	191610	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85	X			
113	25	08/27/10	09/06/10	53885024450	200	181302	\$ 215.82	\$ -	\$ 53.96	2010	61.59%	\$ 33.23		X	X	
114	55	09/04/10	09/13/10	53885024450	200	181836	\$ 214.82	\$ 53.70	\$ 161.12	2010	61.59%	\$ 99.23		X		
115	76	09/08/10	09/13/10	53885024450	100	185283	\$ 106.91	\$ -	\$ 106.91	2010	61.59%	\$ 65.85				X
117	209	09/15/10	09/20/10	53885024450	50	183380	\$ 52.96	\$ -	\$ 52.96	2010	61.59%	\$ 32.62	X		X	
118	245	09/16/10	09/27/10	53885024450	50	185631	\$ 52.96	\$ -	\$ 52.96	2010	61.59%	\$ 32.62	X		X	
119	11	09/18/10	09/27/10	53885024450	200	169402	\$ 214.82	\$ -	\$ 214.82	2010	61.59%	\$ 132.31	X			
120	36	09/18/10	09/27/10	53885024450	200	186382	\$ 214.82	\$ 107.41	\$ 107.41	2010	61.59%	\$ 66.15		X		
122	81	09/20/10	09/27/10	99073070822	100	197291	\$ 105.64	\$ -	\$ 105.64	2010	61.59%	\$ 65.06	X			
124	231	09/24/10	10/04/10	53885024450	50	173716	\$ 52.96	\$ -	\$ 52.96	2011	61.59%	\$ 32.62	X		X	
125	85	09/24/10	10/04/10	53885024450	100	198208	\$ 106.91	\$ -	\$ 106.91	2011	61.59%	\$ 65.85	X			
126	115	10/01/10	10/11/10	53885024450	100	199553	\$ 106.91	\$ -	\$ 106.91	2011	61.59%	\$ 65.85	X		X	
127	67	10/12/10	10/18/10	53885024450	100	191274	\$ 106.91	\$ -	\$ 106.91	2011	61.59%	\$ 65.85				X
128	126	10/13/10	10/18/10	53885024450	100	189813	\$ 106.91	\$ -	\$ 106.91	2011	61.59%	\$ 65.85				X
129	68	10/16/10	10/25/10	53885024450	100	190135	\$ 106.91	\$ -	\$ 106.91	2011	61.59%	\$ 65.85	X			
131	136	10/26/10	11/01/10	53885024510	100	191610	\$ 106.91	\$ -	\$ 106.91	2011	61.59%	\$ 65.85	X			
134	94	11/05/10	11/15/10	53885024450	100	199553	\$ 106.91	\$ -	\$ 106.91	2011	61.59%	\$ 65.85	X		X	
135	50	11/08/10	11/15/10	53885024450	200	186382	\$ 214.82	\$ 107.41	\$ 107.41	2011	61.59%	\$ 66.15		X		
136	1	11/11/10	11/22/10	53885024450	200	181302	\$ 215.82	\$ -	\$ 215.82	2011	61.59%	\$ 132.92		X	X	
137	23	11/16/10	11/22/10	53885024450	200	199059	\$ 214.82	\$ -	\$ 214.82	2011	61.59%	\$ 132.31	X	X		
142	4	11/27/10	12/06/10	53885024450	200	211900	\$ 214.82	\$ -	\$ 214.82	2011	61.59%	\$ 132.31	X	X		X
144	163	12/02/10	12/13/10	53885024450	100	213010	\$ 106.91	\$ -	\$ 106.91	2011	61.59%	\$ 65.85	X			
145	58	12/06/10	12/13/10	53885024450	200	181302	\$ 215.82	\$ -	\$ 215.82	2011	61.59%	\$ 132.92		X	X	
147	194	12/08/10	12/13/10	53885024450	100	204023	\$ 107.91	\$ -	\$ 107.91	2011	61.59%	\$ 66.46				X
148	121	12/08/10	12/20/10	53885024450	100	199553	\$ 106.91	\$ -	\$ 106.91	2011	61.59%	\$ 65.85	X		X	
149	214	12/11/10	12/20/10	53885024450	50	214806	\$ 52.96	\$ -	\$ 52.96	2011	61.59%	\$ 32.62	X			
150	3	12/13/10	12/20/10	53885024450	200	199059	\$ 214.82	\$ -	\$ 214.82	2011	61.59%	\$ 132.31	X	X		
154	87	12/27/10	01/03/11	53885024450	100	192328	\$ 106.91	\$ -	\$ 106.91	2011	58.77%	\$ 62.83	X			
155	201	12/29/10	01/03/11	53885024450	100	208691	\$ 107.91	\$ -	\$ 107.91	2011	58.77%	\$ 63.42	X			
159	112	01/11/11	01/17/11	00193709021	100	202055	\$ 106.25	\$ -	\$ 106.25	2011	58.77%	\$ 62.44	X			
160	110	01/14/11	01/24/11	53885024450	100	220667	\$ 106.91	\$ -	\$ 106.91	2011	58.77%	\$ 62.83	X			

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 Findings For Each Sample Item

IPRO Record # ^	Sample #	Date of Service	Date of Payment	NDC	Qty	Rx	Amount Paid	Corrected Amount	Recoupment Amount	Federal Fiscal Year	Federal Share %	Federal Share Amount	Error Codes			
													1. No Explanation of Benefits (EOB) / Documentation for Medicare Covered Items	2. Pharmacy Billed in Excess of Prescribed Quantity *	3. Other Insurance Payments Not Applied	4. Ordering Prescriber Conflicts with Claim Prescriber @
161	160	01/19/11	01/24/11	53885024450	100	221363	\$ 106.91	\$ -	\$ 106.91	2011	58.77%	\$ 62.83	X			
162	5	01/19/11	01/24/11	53885024450	200	211900	\$ 214.82	\$ -	\$ 214.82	2011	58.77%	\$ 126.25	X	X		X
163	207	01/24/11	01/31/11	56151085050	50	218651	\$ 22.94	\$ -	\$ 22.94	2011	58.77%	\$ 13.48	X		X	
164	227	02/01/11	02/07/11	53885024450	50	213655	\$ 55.65	\$ -	\$ 55.65	2011	58.77%	\$ 32.71	X		X	
165	170	02/02/11	02/07/11	53885024450	100	189813	\$ 113.30	\$ -	\$ 113.30	2011	58.77%	\$ 66.59				X
166	16	02/03/11	02/14/11	53885024450	200	199059	\$ 225.60	\$ -	\$ 225.60	2011	58.77%	\$ 132.59	X	X		
167	113	02/08/11	02/14/11	53885024450	100	220667	\$ 112.30	\$ -	\$ 112.30	2011	58.77%	\$ 66.00	X			
172	45	03/07/11	03/14/11	53885024450	200	211900	\$ 225.60	\$ -	\$ 225.60	2011	58.77%	\$ 132.59	X			X
176	224	03/28/11	04/04/11	53885024450	50	224870	\$ 55.65	\$ -	\$ 55.65	2011	56.88%	\$ 31.65	X			
177	238	03/29/11	04/04/11	53885024450	50	232341	\$ 55.65	\$ -	\$ 55.65	2011	56.88%	\$ 31.65	X			
180	60	03/30/11	04/04/11	53885024450	200	211900	\$ 225.60	\$ -	\$ 225.60	2011	56.88%	\$ 128.32	X	X		X
181	226	04/05/11	04/11/11	53885024450	50	233706	\$ 55.65	\$ -	\$ 55.65	2011	56.88%	\$ 31.65	X			
183	198	04/13/11	04/18/11	53885024450	100	231361	\$ 112.30	\$ -	\$ 112.30	2011	56.88%	\$ 63.88	X			
185	143	04/20/11	04/25/11	53885024450	100	217980	\$ 112.30	\$ -	\$ 112.30	2011	56.88%	\$ 63.88	X		X	
187	175	04/25/11	05/02/11	53885024450	100	220667	\$ 112.30	\$ -	\$ 112.30	2011	56.88%	\$ 63.88	X			
197	225	05/28/11	06/06/11	53885024450	50	238876	\$ 55.65	\$ -	\$ 55.65	2011	56.88%	\$ 31.65	X			
198	120	06/04/11	06/13/11	53885024450	100	244279	\$ 112.30	\$ -	\$ 112.30	2011	56.88%	\$ 63.88			X	
199	116	06/02/11	06/20/11	00193709021	100	243839	\$ 106.25	\$ -	\$ 106.25	2011	56.88%	\$ 60.44	X			
201	223	06/16/11	06/27/11	53885024450	50	246429	\$ 55.65	\$ -	\$ 55.65	2011	56.88%	\$ 31.65	X			
206	172	07/22/11	08/01/11	53885024450	100	243388	\$ 112.30	\$ -	\$ 112.30	2011	50.00%	\$ 56.15	X			
208	174	07/28/11	08/08/11	53885024450	100	231361	\$ 112.30	\$ -	\$ 112.30	2011	50.00%	\$ 56.15	X			
210	169	08/03/11	08/08/11	53885024450	100	245978	\$ 112.30	\$ -	\$ 112.30	2011	50.00%	\$ 56.15	X			
211	96	08/04/11	08/15/11	53885024450	100	250004	\$ 112.30	\$ -	\$ 112.30	2011	50.00%	\$ 56.15	X			
214	123	08/13/11	08/22/11	53885024450	100	235610	\$ 112.30	\$ -	\$ 112.30	2011	50.00%	\$ 56.15	X			
218	29	08/31/11	09/05/11	53885024450	150	258140	\$ 168.95	\$ -	\$ 168.95	2011	50.00%	\$ 84.48	X		X	
217	166	08/27/11	09/05/11	53885024450	100	245978	\$ 112.30	\$ -	\$ 112.30	2011	50.00%	\$ 56.15	X			
219	189	09/13/11	09/19/11	00193709021	100	243839	\$ 106.25	\$ -	\$ 106.25	2011	50.00%	\$ 53.13	X			
222	215	10/04/11	10/10/11	53885024450	50	263870	\$ 55.65	\$ -	\$ 55.65	2012	50.00%	\$ 27.83	X			
223	243	10/05/11	10/10/11	53885024450	50	264222	\$ 55.65	\$ -	\$ 55.65	2012	50.00%	\$ 27.83	X			
225	221	01/20/12	01/30/12	99073070822	50	266160	\$ 62.69	\$ -	\$ 62.69	2012	50.00%	\$ 31.35	X			
226	181	02/25/12	03/05/12	99073012050	100	282974	\$ 124.38	\$ -	\$ 124.38	2012	50.00%	\$ 62.19	X			
227	237	02/29/12	03/12/12	53885024450	50	283064	\$ 59.61	\$ -	\$ 59.61	2012	50.00%	\$ 29.81	X			
228	111	03/07/12	03/12/12	53885024450	100	272176	\$ 120.22	\$ -	\$ 120.22	2012	50.00%	\$ 60.11	X			
229	127	03/15/12	03/26/12	53885024450	100	288596	\$ 120.22	\$ -	\$ 120.22	2012	50.00%	\$ 60.11	X			
230	77	03/31/12	04/09/12	53885024450	100	286484	\$ 121.22	\$ -	\$ 121.22	2012	50.00%	\$ 60.61				X

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Findings For Each Sample Item

IPRO Record # ^	Sample #	Date of Service	Date of Payment	NDC	Qty	Rx	Amount Paid	Corrected Amount	Recoupment Amount	Federal Fiscal Year	Federal Share %	Federal Share Amount	Error Codes					
													1. No Explanation of Benefits (EOB) / Documentation for Medicare Covered Items	2. Pharmacy Billed in Excess of Prescribed Quantity *	3. Other Insurance Payments Not Applied	4. Ordering Prescriber Conflicts with Claim Prescriber @		
231	248	04/07/12	04/16/12	99073070822	50	288567	\$ 61.69	\$ -	\$ 61.69	2012	50.00%	\$ 30.85	X					
232	73	04/11/12	04/23/12	53885024450	100	288596	\$ 120.22	\$ -	\$ 120.22	2012	50.00%	\$ 60.11	X					
233	140	04/24/12	04/30/12	53885024450	100	293667	\$ 120.22	\$ -	\$ 120.22	2012	50.00%	\$ 60.11	X					
234	104	05/16/12	05/21/12	53885024450	100	293667	\$ 120.22	\$ -	\$ 120.22	2012	50.00%	\$ 60.11	X					
235	208	05/30/12	06/04/12	53885024450	50	297822	\$ 59.61	\$ -	\$ 59.61	2012	50.00%	\$ 29.81	X					
238	70	06/09/12	06/18/12	53885024450	100	293667	\$ 120.22	\$ -	\$ 120.22	2012	50.00%	\$ 60.11	X					
239	157	06/21/12	07/02/12	53885024450	100	293260	\$ 120.22	\$ -	\$ 120.22	2012	50.00%	\$ 60.11	X		X			
240	205	06/23/12	07/02/12	53885024450	50	298161	\$ 60.61	\$ -	\$ 60.61	2012	50.00%	\$ 30.31	X					
241	250	07/09/12	07/16/12	99073070822	50	288567	\$ 61.69	\$ -	\$ 61.69	2012	50.00%	\$ 30.85	X					
242	219	07/17/12	07/23/12	53885024450	50	303410	\$ 59.61	\$ -	\$ 59.61	2012	50.00%	\$ 29.81	X					
243	109	07/19/12	07/30/12	53885024450	100	297595	\$ 121.22	\$ -	\$ 121.22	2012	50.00%	\$ 60.61	X					
245	92	08/20/12	08/27/12	53885024450	100	297595	\$ 121.22	\$ -	\$ 121.22	2012	50.00%	\$ 60.61	X					
246	99	11/02/12	11/12/12	53885024450	100	305684	\$ 120.22	\$ -	\$ 120.22	2013	50.00%	\$ 60.11	X					
247	178	11/17/12	11/26/12	53885024450	100	310668	\$ 120.22	\$ -	\$ 120.22	2013	50.00%	\$ 60.11	X		X			
248	133	11/19/12	11/26/12	53885024510	100	315294	\$ 121.22	\$ -	\$ 121.22	2013	50.00%	\$ 60.61	X					
												\$ 19,333.00		\$ 11,446.64	126	41	34	21

Federal FY	Federal Share Amount
2010	\$ 6,917.80
2011	\$ 3,414.81
2012	\$ 933.20
2013	\$ 180.83
Total	\$ 11,446.64

^ IPRO previously identified the record # as the sample #, shown now in the 2nd column.

* If Error #2 is the only error, recoupment amt. is the amt. paid for the excess quantity.

@ If Error #4 is the only error, the recoupment amt. is not extrapolated.

Appendix B Sample Design

The sample design used for Audit #14-1956 was as follows:

- Universe - Medicaid claims for diabetic test strip supplies paid during the period January 1, 2010, through December 31, 2012.
- Sampling Frame - The sampling frame for this objective is the Medicaid electronic database of paid Provider claims for diabetic test strip supplies paid during the period January 1, 2010, through December 31, 2012.
- Sample Unit - The sample unit is a Medicaid claim paid during the period January 1, 2010, through December 31, 2012.
- Sample Design – Simple sampling was used for sample selection.
- Sample Size – The sample size is 250 claims.

Appendix C
Extrapolation of Sample Findings

Total Sample Recoupment	\$ 19,333.00
Less Recoupments Not Projected*	<u>(984.89)</u>
Sample Recoupment for Extrapolation Purposes	\$ 18,348.11
Services in Sample	250
Overpayments Per Sample Service	\$ 73.39
Services in Universe	3,021
Mean Point Estimate	\$ 124,827
Add Overpayments Not Projected*	<u>985</u>
Adjusted Mean Point Estimate	<u>\$ 125,812</u>
Lower Confidence Limit	\$ 110,102
Add Overpayments Not Projected*	<u>985</u>
Adjusted Lower Confidence Limit	<u>\$ 111,087</u>

* The actual dollar disallowance for the "**Ordering Prescriber Conflicts with Claim Prescriber**" finding was subtracted from the total sample overpayment and added to the Meanpoint Estimate and the Lower Confidence Limit. The dollars associated with this finding were not used in the extrapolation.