



**Office of the  
Medicaid Inspector  
General**

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

**REVIEW OF AMERIGROUP NEW YORK, LLC  
MULTIPLE CLIENT IDENTIFICATION NUMBERS IN  
DIFFERENT MANAGED CARE PLANS  
WITH CONCURRENT DATES OF SERVICE STARTING BETWEEN  
JANUARY 1, 2010 AND DECEMBER 31, 2010**

**FINAL AUDIT REPORT  
AUDIT # 15-3741**

**Dennis Rosen  
Medicaid Inspector General**

**October 22, 2015**

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Office of the  
Medicaid Inspector  
General

ANDREW M. CUOMO  
Governor

DENNIS ROSEN  
Medicaid Inspector General

October 22, 2015

[REDACTED]  
Amerigroup New York, LLC  
4425 Corporation Lane  
Virginia Beach, Virginia 23462

Re: Final Audit Report  
Audit # 15-3741  
Provider ID # [REDACTED]

Dear [REDACTED]:

The New York State Office of the Medicaid Inspector General (OMIG) has identified Medicaid and/or Family Health Plus capitation payments made to Amerigroup New York, LLC (Plan) which were paid for an individual who was concurrently enrolled in a different Managed Care Organization (MCO) under a different Client Identification Number (CIN). 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 (18 NYCRR), this report represents the final determination on the issues found during the OMIG's review.

### **BACKGROUND**

The New York State Department of Health (the Department) is 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 NYCRR), the regulations of the Office of Mental Health (Title 14 of the NYCRR), the Department's Medicaid Provider Manuals, *Medicaid Update* publications and the Contract.

### **PURPOSE AND SCOPE**

The purpose of the audit was to identify instances where the Plan received a capitation payment from Medicaid for an individual who was concurrently enrolled in a different MCO under a different CIN, and then determine which of the concurrent capitation payments were paid inappropriately. These determinations are based on guidance provided by the New York State Department of Health, Office of Health Insurance Programs (OHIP) whereby encounter data reported by the MCO, or lack thereof, during the concurrent enrollment period was utilized to make the overpayment determination. If neither MCO reported encounter data during the concurrent enrollment period, the capitation payment will be recovered from the MCO affiliated with the CIN first closed by the local district. The scope of the audit includes capitation payments made to different MCOs with concurrent dates of service starting between January 1, 2010 and December 31, 2010 and continuing until the concurrent payments end.

In accordance with 18 NYCRR Parts 517 and 518 and pursuant to the Contract, specifically Section 3.6 (SDOH Right to Recover Premiums), Section 19.7 (OMIG Audit Authority) 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 August 18, 2015 identifying \$167,249.50 in inappropriately paid capitation payments for individuals concurrently enrolled in a different MCO under a different CIN. In accordance with 18 NYCRR Parts 517 and 518 and pursuant to the Contract, Section 3.6 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. In its September 17, 2015 response (Attachment I) to the Draft Audit Report, the Plan did not contest the findings of the Draft Audit Report. As a result, the findings of the Final Audit Report remain unchanged from those cited in the Draft Audit Report.

The total amount of overpayment, as defined in 18 NYCRR §518.1(c) is \$167,249.50. Subsequent to the issuance of the Draft Audit Report, the Plan voided claims in the amount of \$167,249.50. Therefore, there is no balance due the New York State Department of Health (Attachment II).

### **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 a 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.

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

Sincerely,

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

Attachments

CERTIFIED MAIL # [REDACTED]  
RETURN RECEIPT REQUESTED