



**Office of the  
Medicaid Inspector  
General**

**ANDREW M. CUOMO**  
Governor

**DENNIS ROSEN**  
Medicaid Inspector General

October 17, 2016

[REDACTED]  
Batavia Nursing Home  
(aka Batavia Health Care Center)  
257 State Street  
Batavia, New York 14020

Re: MDS Final Audit Report  
Audit #: 14-3930  
Provider ID#: [REDACTED]

Dear [REDACTED]

This is the final audit report of findings with regard to the Office of the Medicaid Inspector General's (OMIG) Minimum Data Set (MDS) audit of Batavia Nursing Home (aka Batavia Health Care Center) for the census period ending January 25, 2013. In accordance with 18 NYCRR §517.6, this final audit report represents the OMIG's final determination on issues found during OMIG's review.

In your response to the draft audit report dated July 29, 2016, you identified specific audit findings with which you disagreed. Your comments have been considered (see Attachment D) and the report has been either revised accordingly and/or amended to address your comments (see Attachment D).

The Medicaid overpayment of \$31,480.62 was calculated using the number of Medicaid days paid for the rate period July 1, 2013 through December 31, 2013 and the change in the direct component of your Medicaid rate as calculated by the Department of Health's Bureau of Long Term Care Reimbursement (BLTCR). The calculation of this overpayment is detailed in Attachment A. BLTCR will adjust your Medicaid rates for the relevant rate period to reflect the change in the direct component. The findings explanation, regulatory references, and applicable adjustment can be found in the attachments following Attachment A.

The Provider has the right to challenge this action and determination by requesting an administrative hearing within 60 days of the date of this notice. If the Provider wishes to request a hearing, the request must be submitted in writing to:

General Counsel  
Office of Counsel  
New York State Office of the Medicaid Inspector General  
800 North Pearl Street  
Albany, NY 12204

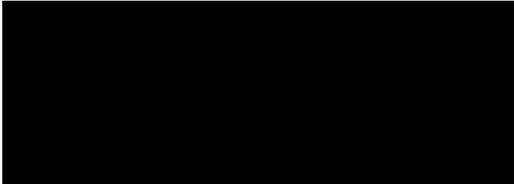
Questions regarding the request for a hearing should be directed to Office of Counsel, at [REDACTED].

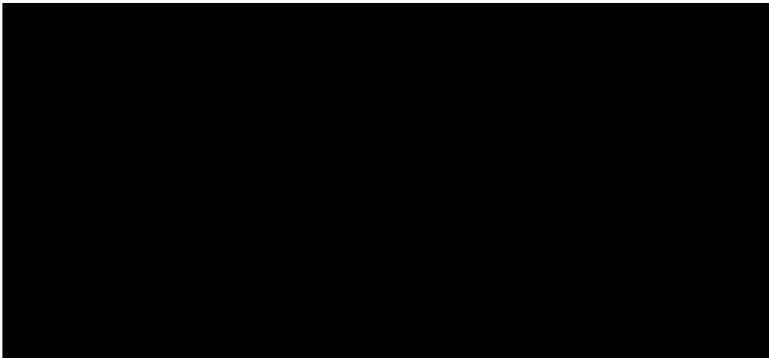
In accordance with 18 NYCRR 519.18(a), "The issues and documentation considered at the hearing are limited to issues directly relating to the final determination. An appellant may not raise issues regarding the methodology used to determine any rate of payment or fee, nor raise any new matter not considered by the department upon submission of objections to a draft audit or notice of proposed agency action."

If a hearing is held, you may have a person represent you or you may represent yourself. If you choose to be represented by someone other than an attorney, you must supply along with your hearing request a signed authorization permitting that person to represent you at the hearing; you may call witnesses and present documentary evidence on your behalf.

For a full listing of hearing rights please see 18 NYCRR Part 519.

Should you have any questions regarding the above, please contact   
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Division of Medicaid Audit  
Office of the Medicaid Inspector General



OFFICE OF THE MEDICAID INSPECTOR GENERAL  
BATAVIA NURSING HOME  
AUDIT 14-3930  
CALCULATION OF AUDIT IMPACT

RATE TYPE	DECREASED IN DIRECT COMPONENT OF RATE*	MEDICAID DAY	IMPACT
Part B Eligible/Part B D Eligible	\$3.82	8,241	\$31,480.62
Non-Medicare/Part D Eligible	\$3.86	0	\$0.00
Total			<u>\$31,480.62</u>

\*Rounded to nearest 1/100th New York State Department of Health Bureau of Managed Long Term  
Care Rate Setting / FFS

OFFICE OF THE MEDICAID INSPECTOR GENERAL  
 BATAVIA NURSING HOME  
 AUDIT #14-3930  
 ERRORS BY SAMPLE NUMBER

Sample #	[REDACTED]	Reported RUG	Derived RUG	Reported RUG Weight	Derived RUG Weight	Disallow toilet use self performance	Disallow physical therapy
1	[REDACTED]	CB1	CB1	0.86	0.86		
2	[REDACTED]	RMB	IB1	1.22	0.78		1
3	[REDACTED]	RMC	PD1	1.27	0.72		1
4	[REDACTED]	RMC	CB1	1.27	0.86		1
5	[REDACTED]	RMA	RMA	1.17	1.17		
6	[REDACTED]	RMB	PC1	1.22	0.66		1
7	[REDACTED]	RMB	RMA	1.22	1.17	1	
8	[REDACTED]	PE1	PE1	0.79	0.79		
<b>Totals</b>						<u>1</u>	<u>4</u>

OFFICE OF THE MEDICAID INSPECTOR GENERAL  
BATAVIA NURSING HOME  
AUDIT #14-3930  
MDS DETAILED FINDINGS

MDS FINDINGS

SAMPLE SELECTION

Functional Status-ADL Self-Performance and Support

If the provider is unable to produce the supporting documentation for the patient, the service will be disallowed and the Case Mix will be adjusted. A repayment schedule will be developed.

Documentation must indicate an assessment was done to evaluate the need for assistance with activities of daily living (ADL's), altered gait and balance, and decreased range of motion (ROM). MDS 3.0 manual guidelines will be followed when examining the medical records.

*42 CFR §483.20 (b) (xvii)*  
*MDS Manual 3.0 G0100-0900*

Toilet Use Self-Performance

In 1 instance, documentation did not support resident required weight bearing assist three or more times. 7

Skilled Therapy

If the provider is unable to produce the supporting documentation for the patient, the service will be disallowed and the Case Mix will be adjusted. A repayment schedule will be developed.

The qualified therapist, in conjunction with the physician and nursing staff, is responsible for determining the necessity for and the frequency and duration of the therapy provided to residents. Rehabilitation (i.e., via Speech-Language Services, and Occupational and Physical Therapies) and respiratory, psychological, and recreational therapy helps the residents to attain or maintain their highest level of well-being and improve their quality of life. MDS 3.0 manual guidelines will be followed when reviewing the documentation provided by the facility.

42 CFR §483.20 (b) (xvii)  
MDS 3.0 Manual O0400-0500

Physical Therapy

In 4 instances, documentation did not support medical necessity for therapy and/or therapy was not reasonable for resident condition. 2, 3, 4, 6

RUGS-II Classifications Overturned

In 5 instances, the RUG classifications were overturned. 2, 3, 4, 6, 7

10 NYCRR §86-2.10, Volume A-2

**OFFICE OF THE MEDICAID INSPECTOR GENERAL  
BATAVIA NURSING HOME  
AUDIT #14-3930  
ANALYSIS OF PROVIDER RESPONSE**

Sample #	Finding	Provider Response	Accepted/Denied	Explanation
2	O0400C Physical Therapy	<ul style="list-style-type: none"> <li>• Resident Cover Sheet</li> <li>• Physical Therapy Evaluation</li> <li>• Physical Therapy Note</li> <li>• Physical Therapy Attendance Log</li> </ul>	Denied	<p>MDS with ARD 01/15/13 claimed Physical Therapy 5 days/177 minutes. Documentation does not support the medical need for skilled Physical Therapy services.</p> <p>See MDS Manual - section O.</p>
3	O0400C Physical Therapy	<ul style="list-style-type: none"> <li>• Resident Cover Sheet</li> <li>• Physical Therapy Evaluation</li> <li>• Physical Therapy Note</li> <li>• Physical Therapy Attendance Log</li> </ul>	Denied	<p>MDS with ARD 01/15/13 claimed Physical Therapy 5 days/178 minutes. Documentation does not support the medical need for skilled Physical Therapy services.</p> <p>See MDS Manual - section O.</p>
4	O0400C Physical Therapy	<ul style="list-style-type: none"> <li>• Resident Cover Sheet</li> <li>• ADL Tracker</li> <li>• Physical Therapy Evaluation</li> <li>• Physical Therapy Attendance Log</li> </ul>	Denied	<p>MDS with ARD 01/12/13 claimed Physical Therapy 5 days/177 minutes. Documentation does not support the medical need for skilled Physical Therapy services.</p> <p>See MDS Manual - section O.</p>

6	O0400C Physical Therapy	<ul style="list-style-type: none"> <li>• Resident Cover Sheet</li> <li>• Physical Therapy Evaluation</li> <li>• Physical Therapy Attendance Log</li> </ul>	Denied	MDS with ARD 01/14/13 claimed Physical Therapy 5 days/180 minutes. Documentation does not support the medical need for skilled Physical Therapy. See MDS Manual - section O.
7	G0110la Self-Performance Toilet Use	<ul style="list-style-type: none"> <li>• ADL Tracker</li> <li>• Nurses Notes</li> </ul>	Denied	MDS with ARD 11/20/12 claimed Level 3 for Self Performance in Toilet Use. Documentation does not support level claimed.  See MDS Manual – section G.
	O0400C Physical Therapy		Accepted	Disallowance was reversed and will not be included in the final report.