



**Office of the  
Medicaid Inspector  
General**

**ANDREW M. CUOMO**  
Governor

**DENNIS ROSEN**  
Medicaid Inspector General

October 17, 2016

██████████  
Elizabeth Church Manor Nursing Home  
863 Upper Front Street  
Binghamton, New York 13905

Re: MDS Final Audit Report  
Audit #: 14-4740  
Provider ID#: ██████████

Dear ██████████

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 Elizabeth Church Manor Nursing Home 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 August 12, 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 \$12,347.13 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 (██████████)

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

Division of Medicaid Audit  
Office of the Medicaid Inspector General

OFFICE OF THE MEDICAID INSPECTOR GENERAL  
ELIZABETH CHURCH MANOR NURSING HOME  
AUDIT 14-4740  
CALCULATION OF AUDIT IMPACT

RATE TYPE	DECREASED IN DIRECT COMPONENT OF RATE*	MEDICAID DAY	IMPACT
Part B Eligible/Part B D Eligible	\$0.97	12,729	\$12,347.13
Non-Medicare/Part D Eligible	\$0.99	0	\$0.00
Total			<u>\$12,347.13</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  
 ELIZABETH CHURCH MANOR NURSING HOME  
 AUDIT #14-4740  
 ERRORS BY SAMPLE NUMBER

Sample #	[REDACTED]	Reported	Derived	Reported	Derived	Disallow active disease diagnosis	Disallow occupation therapy	Disallow physical therapy	Disallow Dementia Add On
		RUG	RUG	RUG Weight	RUG Weight				
1	[REDACTED]	IA1	IA1	0.61	0.61				
2	[REDACTED]	PC1	PC1	0.66	0.66				
3	[REDACTED]	PE1	PE1	0.79	0.79				
4	[REDACTED]	CC1	CC1	0.98	0.98				
5	[REDACTED]	CC1	CC1	0.98	0.98				
6	[REDACTED]	PE1	PE1	0.79	0.79				
7	[REDACTED]	PE2	PE2	0.9	0.9				
8	[REDACTED]	IA1	IA1	0.61	0.61	1			1
9	[REDACTED]	PE1	PE1	0.79	0.79				
10	[REDACTED]	PE1	PE1	0.79	0.79				
11	[REDACTED]	RHC	RHC	1.4	1.4				
12	[REDACTED]	RMC	CB1	1.27	0.86		1	1	
13	[REDACTED]	IA1	IA1	0.61	0.61	1			1
14	[REDACTED]	RMA	RMA	1.17	1.17				
Totals						2	1	1	2

OFFICE OF THE MEDICAID INSPECTOR GENERAL  
ELIZABETH CHURCH MANOR NURSING HOME  
AUDIT #14-4740  
MDS DETAILED FINDINGS

MDS FINDINGS

SAMPLE SELECTION

Active Disease Diagnosis

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 the diseases coded relate to the resident's functional, cognitive, mood or behavior status, medical treatments, nursing monitoring, or risk of death. MDS 3.0 manual guidelines will be followed when examining the medical records.

*42 CFR §483.20 (b) (xvii)*  
*MDS Manual 3.0 I0100-I8000*

In 2 instances, documentation did not support Dementia as a physician documented diagnosis in the past 60 days. 8, 13

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*

**Occupational Therapy**

In 1 instance, documentation did not support medical necessity for therapy and/or therapy was not reasonable for resident condition. 12

**Physical Therapy**

In 1 instance, documentation did not support medical necessity for therapy and/or therapy was not reasonable for resident condition. 12

**Dementia Add-on**

In 2 instances, documentation did not support the diagnosis of Alzheimer's/dementia required for the add-on. 8, 13

*10 NYCRR §86-2.40 (z)(1)*

**RUGS-II Classifications Overturned**

In 1 instance, the RUG classifications were overturned. 12

*10 NYCRR §86-2.10, Volume A-2*

**OFFICE OF THE MEDICAID INSPECTOR GENERAL  
ELIZABETH CHURCH MANOR NURSING HOME  
AUDIT #14-4740  
ANALYSIS OF PROVIDER RESPONSE**

Sample #	Finding	Provider Response	Accepted/Denied	Explanation
4	I4900 Hemiplegia Diagnosis		Accepted	Disallowance was reversed and will not be included in the final report.
5	G0100Ba Self-Performance Transfer		Accepted	Disallowance was reversed and will not be included in the final report.
8	I4800 Dementia Diagnosis/Dementia Add-on	<ul style="list-style-type: none"> <li>No additional documentation to dispute this finding</li> </ul>	Denied	MDS with ARD 01/22/13 has no documentation of a physician-documented diagnosis of Dementia in the 60-day look back period. See MDS Manual – Section I
11	O0400A Speech Therapy		Accepted	Disallowance was reversed and will not be included in the final report.
	Occupational Therapy O0400B		Accepted	Disallowance was reversed and will not be included in the final report.
12	O0400B Occupational Therapy	<ul style="list-style-type: none"> <li>Nursing Notes dated 05/30/12 – 11/05/12</li> </ul>	Denied	MDS with ARD 01/13/13 interdisciplinary documentation does not support the medical need for skilled Occupational Therapy. See MDS Manual – Section O
	O0400C Physical Therapy	<ul style="list-style-type: none"> <li>Nursing Notes dated 05/30/12 – 11/05/12</li> </ul>	Denied	MDS with ARD 01/13/12 interdisciplinary documentation does not support the medical need for skilled Physical Therapy. See MDS Manual – Section O

13	I4800 Dementia Diagnosis/Dementia Add-on	<ul style="list-style-type: none"><li>Plan of Care for Behavioral Symptom</li></ul>	Denied	MDS with ARD 12/14/12 documentation does not support a physician-documented diagnosis of dementia in the 60-day look back period. Documentation does not support that the disease was active during the 7-day look back period. See MDS Manual – Section I
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