



**Office of the  
Medicaid Inspector  
General**

**ANDREW M. CUOMO**  
Governor

**DENNIS ROSEN**  
Medicaid Inspector General

October 17, 2016

[REDACTED]  
Cortlandt Healthcare  
110 Oregon Avenue  
Cortlandt Manor, New York 10567

**Re: MDS REVISED FINAL AUDIT REPORT**  
Audit #: 14-5194  
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 Cortlandt Healthcare 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 1, 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 \$14,755.60 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

Division of Medicaid Audit  
Office of the Medicaid Inspector General

OFFICE OF THE MEDICAID INSPECTOR GENERAL  
CORTLANDT HEALTHCARE  
AUDIT 14-5194  
CALCULATION OF AUDIT IMPACT

RATE TYPE	DECREASED IN DIRECT COMPONENT OF RATE*	MEDICAID DAY	IMPACT
Part B Eligible/Part B D Eligible	\$1.25	11,618	\$14,522.50
Non-Medicare/Part D Eligible	\$1.26	185	\$233.10
Total			<u>\$14,755.60</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  
 CORTLANDT HEALTHCARE  
 AUDIT #14-5194  
 ERRORS BY SAMPLE NUMBER

Sample #	Reported RUG	Derived RUG	Reported RUG Weight	Derived RUG Weight	Disallow bed mobility self performance	Disallow transfer self performance	Disallow eating self performance	Disallow toilet use self performance	Disallow active disease diagnosis	Disallow special treatments, procedures
1	SSA	SSA	1.03	1.03						
2	IB1	IB1	0.78	0.78						
3	CC1	CC1	0.98	0.98	1					
4	SSC	SSB	1.12	1.06		1				
5	RUC	RUC	1.82	1.82						
6	CC2	CC2	1.12	1.12	1		1			
7	CC1	CC1	0.98	0.98					1	
8	PC1	PC1	0.66	0.66						
9	RHC	RHC	1.4	1.4						
10	CC1	CC1	0.98	0.98						
11	PE1	PD1	0.79	0.72		1	1	1		
12	PC1	PC1	0.66	0.66						
13	CA1	PC1	0.77	0.66						1
14	PE1	PE1	0.79	0.79			1			
15	CC2	CC2	1.12	1.12	1					

OFFICE OF THE MEDICAID INSPECTOR GENERAL  
 CORTLANDT HEALTHCARE  
 AUDIT #14-5194  
 ERRORS BY SAMPLE NUMBER

Sample #	Reported RUG	Derived RUG	Reported RUG Weight	Derived RUG Weight	Disallow bed mobility self performance	Disallow transfer self performance	Disallow eating self performance	Disallow toilet use self performance	Disallow active disease diagnosis	Disallow special treatments, procedures
16	CC2	PE1	1.12	0.79				1		
17	RMC	RMC	1.27	1.27	1		1			
18	SSB	SSB	1.06	1.06						
19	PE1	PE1	0.79	0.79			1			
Totals					3	2	2	5	1	2

**OFFICE OF THE MEDICAID INSPECTOR GENERAL  
CORTLANDT HEALTHCARE  
AUDIT #14-5194  
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*

**Bed Mobility Self-Performance**

In 3 instances, documentation did not support resident required total assist every time. 3, 6, 15

**Transfer Self-Performance**

In 2 instances, documentation did not support resident required total assist every time. 11, 17

**Eating Self-Performance**

In 2 instances, documentation did not support resident required weight bearing assist three or more times. 4, 11

**Toilet Use Self-Performance**

In 5 instances, documentation did not support resident required total assist every time. 6, 11, 14, 17, 19

**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 I0100-18000*

In 1 instance, documentation did not support hemiplegia as a physician documented diagnosis in the past 60 days. 16

**Special Treatments, Procedures, and Programs**

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 intent of the items in this section is to identify any special treatments, procedures, and programs that the resident received during the specific time periods. MDS 3.0 manual guidelines will be followed when examining the medical records.

*42 CFR §483.20 (b) (xv)*  
*MDS 3.0 Manual O0100-0300, O0600-0700*

In 1 instance, documentation did not support the number of days with MD exams during the look back period. 7

In 1 instance, documentation did not support the number of days with MD orders during the look back period. 13

**RUGS-II Classifications Overturned**

In 4 instances, the RUG classifications were overturned. 4, 11, 13, 16

*10 NYCRR §86-2.10, Volume A-2*

**OFFICE OF THE MEDICAID INSPECTOR GENERAL  
CORTLANDT HEALTHCARE  
AUDIT #14-5194  
ANALYSIS OF PROVIDER RESPONSE**

Sample #	Finding	Provider Response	Accepted/Denied	Explanation
3	I4900 Hemiplegia or Hemiparesis Diagnosis		Accepted	Disallowance was reversed and will not be included in the final report.
4	G0110Ha Self-Performance Eating	<ul style="list-style-type: none"> <li>• MDS dated November 2, 2012; Section G Functional Status</li> <li>• Quarterly Assessment</li> <li>• Therapy Progress Note</li> <li>• Nursing/CNA Care Flow Sheet</li> <li>• Nurse's Progress Notes</li> </ul>	Denied	MDS with ARD 11/02/12 There is no ADL documentation during the 7-day look back period to support level claimed for Self-Performance in Eating. See MDS Manual – Section G
13	O0600 Physician Examinations		Accepted	Disallowance was reversed and will not be included in the final report.
	O0700 Physician Orders	<ul style="list-style-type: none"> <li>• Resident Face Sheet</li> <li>• Interim Physician's Order Forms</li> <li>• Monthly Order Renewal Forms</li> </ul>	Denied	MDS with ARD 01/30/13 documentation during the 14-day look back period does not support number of days claimed for Physician Orders. See MDS Manual – Section O
16	I4900 Hemiplegia or Hemiparesis Diagnosis	<ul style="list-style-type: none"> <li>• Resident Face Sheet</li> <li>• Nursing/CNA Care Flow Sheet</li> </ul>	Denied	MDS with ARD 12/24/12 Documentation does not support a physician-documented diagnosis of Hemiplegia or Hemiparesis during the 60-day look back period. See MDS Manual – Section I