



Office of the
Medicaid Inspector
General

ANDREW M. CUOMO
Governor

DENNIS ROSEN
Medicaid Inspector General

October 6, 2016

[REDACTED]
Central Island Healthcare
825 Old Country Road
Plainview, New York 11803

Re: MDS Final Audit Report
Audit #: 14-5283
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 Central Island 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.

We received your response to our draft audit report dated August 1, 2016. Your comments have been considered (see Attachment D) and the findings in the final audit report remain identical to the draft audit report.

The Medicaid overpayment of \$24,313.50 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."

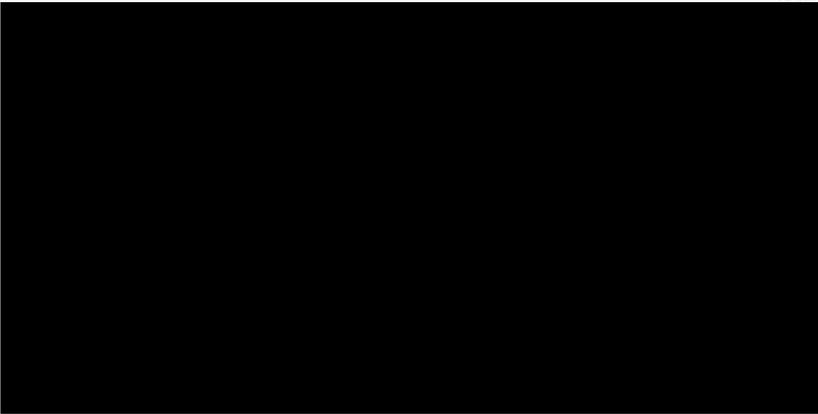
If a hearing is held, you may have a person represent you or you may represent yourself. If you choose to be represented by someone other than an attorney, you must supply along with your hearing request a signed authorization permitting that person to represent you at the hearing; you may call witnesses 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
CENTRAL ISLAND HEALTHCARE
AUDIT 14-5283
CALCULATION OF AUDIT IMPACT

RATE TYPE	DECREASED IN DIRECT COMPONENT OF RATE*	MEDICAID DAY	IMPACT
Part B Eligible/Part B D Eligible	\$1.26	19,077	\$24,037.02
Non-Medicare/Part D Eligible	\$1.28	216	\$276.48
Total			<u>\$24,313.50</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
 CENTRAL ISLAND HEALTHCARE
 AUDIT #14-5283
 ERRORS BY SAMPLE NUMBER

Sample #	Reported RUG	Derived RUG	Reported RUG Weight	Derived RUG Weight	Disallow bed mobility self performance	Disallow toilet use self performance	Disallow speech therapy	Disallow occupation therapy	Disallow physical therapy
1	RMB	RMB	1.22	1.22					
2	RHC	RHC	1.4	1.4					
3	IB1	IB1	0.78	0.78					
4	RVB	RVB	1.39	1.39					
5	RMC	RMC	1.27	1.27					
6	RVC	RVC	1.53	1.53					
7	RHC	RHC	1.4	1.4					
8	RHC	RHC	1.4	1.4					
9	RHC	RHC	1.4	1.4					
10	RVC	RVC	1.53	1.53	1				
11	RHC	SSA	1.4	1.03			1	1	
12	RMB	IB2	1.22	0.8		1			
13	RHB	RHB	1.27	1.27					
14	RMB	RMB	1.22	1.22					
15	RVC	RVC	1.53	1.53					
16	RHB	RHB	1.27	1.27					
17	RHB	RHB	1.27	1.27					
18	RVB	RVB	1.39	1.39					

OFFICE OF THE MEDICAID INSPECTOR GENERAL
 CENTRAL ISLAND HEALTHCARE
 AUDIT #14-5283
 ERRORS BY SAMPLE NUMBER

Sample #	Reported RUG	Derived RUG	Reported RUG Weight	Derived RUG Weight	Disallow bed mobility self performance	Disallow toilet use self performance	Disallow speech therapy	Disallow occupation therapy	Disallow physical therapy
19	RVB	RVB	1.39	1.39					
20	RMC	RMC	1.27	1.27					
21	RMB	RMB	1.22	1.22					
22	IB1	IB1	0.78	0.78					
23	CC1	CC1	0.98	0.98	1				
24	RHC	RHC	1.4	1.4					
Totals					<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

**OFFICE OF THE MEDICAID INSPECTOR GENERAL
CENTRAL ISLAND HEALTHCARE
AUDIT #14-5283
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 1 instance, documentation did not support resident required total assist every time. 23

Toilet Use Self-Performance

In 1 instance documentation did not support resident required total assist every time. 10

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 00400-0500

Speech-Language Pathology

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

Occupational Therapy

In 1 instance, documentation did not support medical necessity for therapy and/or therapy was not reasonable for resident condition. 11

Physical Therapy

In 1 instance, documentation did not support medical necessity for therapy and/or therapy was not reasonable for resident condition. 11

RUGS-II Classifications Overturned

In 2 instances, the RUG classifications were overturned. 11, 12

10 NYCRR §86-2.10, Volume A-2

**OFFICE OF THE MEDICAID INSPECTOR GENERAL
 CENTRAL ISLAND HEALTHCARE
 AUDIT # 14-5283
 ANALYSIS OF PROVIDER RESPONSE**

Sample #	Finding	Provider Response	Accepted/Denied	Explanation
#11	O0400B Occupational Therapy	<ul style="list-style-type: none"> • Progress Record • Nurses Notes • Restorative Walking Program 	Denied	MDS with ARD 11/21/12 has no documentation to support medical necessity for skilled therapy services.
	O0400C Physical Therapy			See MDS Manual - section O.
#12	O0400A Speech Therapy.	<ul style="list-style-type: none"> • Nurses Notes 	Denied	<p>MDS with ARD 11/20/12, has no documentation to support medical necessity for skilled therapy services.</p> <p>See MDS Manual - section O.</p>