STATE OF NEW YORK
OFFICE OF THE MEDICAID INSPECTOR GENERAL
800 North Pearl Street
Albany, New York 12204

ANDREW M. CUOMO
GOVERNOR

JAMES C. COX
MEDICAID INSPECTOR GENERAL

September 5, 2014

[redacted]
Hamburg Central School District
Administration Building
5305 Abbott Road
Hamburg, New York 14075

FINAL AUDIT REPORT
Audit #14-3077
Provider [redacted]

Dear [redacted]

The New York State Office of the Medicaid Inspector General (the "OMIG") performed an audit of multiple Medicaid Speech Evaluation claims for Medicaid students between August 3, 2012 and February 27, 2013. Your school district billed the Medicaid program for 21 speech evaluations in a 7 month period for 6 students. In accordance with Section 517.5 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 issues found during the OMIG's review.

After reviewing your response to the OMIG's May 20, 2014 Draft Audit Report, the Draft Audit Report overpayments of $2,581.74 is reduced to $1,873.76 in the Final Audit Report. A detailed explanation of the revision is included in the Final Audit Report.

Based on this determination, restitution of the overpayments as defined in 18 NYCRR Section 518.1 is required in the amount of $1,873.76.

BACKGROUND

Pursuant to Title XIX of the Social Security Act, the Medicaid program provides medical assistance to low-income individuals and individuals with disabilities. The federal and state governments jointly fund and administer the Medicaid program. In New York State, the Department of Health (DOH) administers the Medicaid program. As part of this responsibility, the OMIG conducts audits and reviews of various providers of Medicaid reimbursable services, equipment and supplies. These audits and reviews are conducted to determine if the provider complied with applicable laws, regulations, rules and policies of the Medicaid program as set forth by the Departments of Health and Mental Hygiene [Titles 10, 14 and 18 of the Official Compilation of Codes, Rules and Regulations of the State of New York] and the Medicaid Provider Manuals.

Reimbursement under the Medicaid program is available under the School Supportive Health Services Program and Preschool Supportive Health Services Program (SSHSP and PSHSP) for certain diagnostic and health support services provided to students with, or suspected of having disabilities. SSHSP applies to the 5-21 year old population and PSHSP applies to the 3-4 year old population pursuant to §4410 of the Education Law. In 1988, Section 1903 of subdivision (c), of the Social Security Act (SSA) was added by §411(k)(13)(A) of the Medicare Catastrophic Act of 1988 (PL 100-360), to clarify Congressional intent by stating that nothing in Title XIX of the SSA shall preclude Medicaid coverage of services included in a disabled student's Individualized Education Program (IEP). New York State implemented the Federal law in 1989 by amending Section 368 (d) and (e) of Chapter 558 of the Social Services Laws to authorize payment of medical assistance funds for PSHSP and SSHSP services.

PURPOSE AND SCOPE

The purpose of this audit was to determine whether the Provider's claims for Medicaid reimbursement for Preschool Supportive Health Services complied with applicable federal and state laws, regulations, rules and policies governing the New York State Medicaid Program. With respect to School Supportive Health Services, this audit covered services paid by Medicaid from August 3, 2012, through February 27, 2013.

DETAILED FINDINGS

1. Provider Billed for Multiple Speech Evaluations for a Student

Regulations state: "By enrolling the provider agrees ... that the information provided in relation to any claim for payment shall be true, accurate, and complete;"

18 NYCRR Section 504.3(h)

Regulations state: "By enrolling the provider agrees ... to comply with the rules, regulations and official directives of the department."

18 NYCRR Section 504.3(i)

Regulation 18 NYCRR 518.1(c) defines "overpayment" as "any amount not authorized to be paid under the medical assistance program, whether paid as the result of ...improper claiming, unacceptable practices, fraud, abuse or mistake" and provides for the recovery by OMIG of these overpayments.

18 NYCRR Section 518.1(c)

For an evaluation to be Medicaid reimbursable the following Medicaid requirements must be met:

- "The written order/referral (dated prior to the evaluation) must be on file,
- The evaluation must be provided by a Medicaid qualified provider,
- The evaluation must be documented, and
- The evaluation must be included in the IEP."

NYSED-Medicaid Unit website, (SSHSP) Questions and Answers (1), page 15

The school district billed Medicaid for 21 speech evaluations over a 7 month period for 6 children. The school district was able to document 14 services that were paid for the incorrect rate code for 5 of the children. Only the difference between the evaluation and the correct rate code was disallowed for each instance. The remaining 7 evaluations have been disallowed.

DETERMINATION

In accordance with 18 NYCRR §518.4, interest may be collected on any overpayments identified in this audit and will accrue at the current rate from the date of the overpayment.

Based on this, the total amount of overpayment, as defined in 18 NYCRR §518.1 is $1,873.76, and now due the New York State Department of Health.

Do not submit claim voids or adjustments in response to this Final Audit Report. This Final Audit Report includes repayment instructions.

PROVIDER RIGHTS

In accordance with 18 NYCRR Part 518 which regulates the collection of overpayments, your repayment options are described below. If you decide to repay the disallowance amount of $1,873.76, one of the following repayment options must be selected within 20 days from the date of this letter:

OPTION #1: Make full payment by check or money order within 20 days of the date of the final audit report. The check should be made payable to the New York State Department of Health and be sent with the attached Remittance Advice to:

New York State Department of Health
Medicaid Financial Management
GNARESP Corning Tower, Room 2739
File #14-3077
Albany, New York 12237

OPTION #2: Enter into a repayment agreement with the Office of the Medicaid Inspector General. If your repayment terms exceed 90 days from the date of the final audit report, recoveries of amounts due are subject to interest charges at the prime rate plus 2%. If the process of establishing the repayment agreement exceeds 20 days from the date of the final audit report, the OMIG will impose a 50% withhold after 20 days until the agreement is established. OMIG acceptance of the repayment agreement is based on your repaying the Medicaid overpayment as agreed. The OMIG will adjust the rate of recovery, or require payment in full, if your unpaid balance is not being repaid as agreed. In addition, if you receive an adjustment in your favor while you owe funds to the State, such adjustment will be applied against any amount owed. If you wish to enter into a repayment agreement, please contact the Bureau of Collections Management within 20 days at the following:

Bureau of Collections Management
New York State Office of the Medicaid Inspector General
800 North Pearl Street
Albany, New York 12204

If you choose not to settle this audit through repayment of the disallowance amount of $1,873.76, you have the right to challenge these findings by requesting an administrative hearing where the OMIG would seek and defend the disallowance amount of $1,873.76. As allowed by state regulations, you must make your request for a hearing, in writing, within sixty (60) days of the date of this report 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 the request for a hearing should be directed to Office of Counsel, at

Issues you may raise shall be limited to those issues relating to determinations contained in the final audit report. Your hearing request may not address issues regarding the methodology used to determine the rate, or any issue that was raised at a proceeding to appeal a rate determination.

At the hearing you have the right to:

a) be represented by an attorney or other representative, or to represent yourself;
b) present witnesses and written and/or oral evidence to explain why the action taken is wrong; and
c) cross examine witnesses of the Department of Health and/or the OMIG.

The OMIG reserves the right to conduct further reviews of your participation in the Medicaid Program, take action where appropriate, and recover monies owed through the initiation of a civil lawsuit or other legal mechanisms including but not limited to the recovery of state tax refunds pursuant to Section 206 of the Public Health Law and Section 171-f of the State Tax Law.

Questions regarding this audit may be directed to or by email at

Sincerely,

Division of Medicaid Audit, Albany Office
Office of the Medicaid Inspector General

Enclosure

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

NEW YORK STATE
OFFICE OF THE MEDICAID INSPECTOR GENERAL
REMITTANCE ADVICE

NAME AND ADDRESS OF AUDITEE

[redacted]
Hamburg Central School District
Administration Building
5305 Abbott Road
Hamburg, New York 14075

AMOUNT DUE: $1,873.76

PROVIDER ID [redacted]

AUDIT #14-3077

AUDIT TYPE	[X] PROVIDER [ ] RATE [ ] PART B [ ] OTHER:

CHECKLIST

1. To ensure proper credit, please enclose this form with your check.
2. Make checks payable to: *New York State Department of Health*
3. Record the Audit Number on your check.
4. Mail check to:

[redacted]
New York State Department of Health
Medicaid Financial Management
GNARESP Corning Tower, Room 2739
File #14-3077
Albany, New York 12237

Thank you for your cooperation.

Attachment B

Hamburg Central School District SSHSP

Multiple Speech Evaluations for a Child

SAMPLE #	CIN#	MMIS#	Provider Name	TCN#	Date of Service	CPT Code Billed	CPT Code Derived	Amount $ Paid	Amount $ Derived	Disallowed
1	[redacted]		HAMBURG CENTRAL	[redacted]	02/25/2013	92506	92507	$ 122.94	$ 50.57	$ 72.37
2			HAMBURG CENTRAL		02/26/2013	92506	---	$ 122.94	$ -	$ 122.94
3			HAMBURG CENTRAL		10/19/2012	92506	92507	$ 122.94	$ 50.57	$ 72.37
4			HAMBURG CENTRAL		10/26/2012	92506	92507	$ 122.94	$ 50.57	$ 72.37
5			HAMBURG CENTRAL		10/25/2012	92506	92507	$ 122.94	$ 50.57	$ 72.37
6			HAMBURG CENTRAL		01/18/2013	92506	92507	$ 122.94	$ 50.57	$ 72.37
7			HAMBURG CENTRAL		10/18/2012	92506	92507	$ 122.94	$ 50.57	$ 72.37
8			HAMBURG CENTRAL		09/21/2012	92506	92507	$ 122.94	$ 50.57	$ 72.37
9			HAMBURG CENTRAL		02/27/2013	92506	---	$ 122.94	$ -	$ 122.94
10			HAMBURG CENTRAL		02/13/2013	92506	---	$ 122.94	$ -	$ 122.94
11			HAMBURG CENTRAL		02/07/2013	92506	---	$ 122.94	$ -	$ 122.94
12			HAMBURG CENTRAL		02/06/2013	92506	---	$ 122.94	$ -	$ 122.94
13			HAMBURG CENTRAL		02/11/2013	92506	---	$ 122.94	$ -	$ 122.94
14			HAMBURG CENTRAL		08/03/2012	92506	92507	$ 122.94	$ 50.57	$ 72.37
15			HAMBURG CENTRAL		08/10/2012	92506	92507	$ 122.94	$ 50.57	$ 72.37
16			HAMBURG CENTRAL		10/16/2012	92506	92507	$ 122.94	$ 50.57	$ 72.37
17			HAMBURG CENTRAL		09/10/2012	92506	92507	$ 122.94	$ 50.57	$ 72.37
18			HAMBURG CENTRAL		09/12/2012	92506	92507	$ 122.94	$ 50.57	$ 72.37
19			HAMBURG CENTRAL		01/11/2013	92506	92507	$ 122.94	$ 50.57	$ 72.37
20			HAMBURG CENTRAL		01/03/2013	92506	92507	$ 122.94	$ 50.57	$ 72.37
21			HAMBURG CENTRAL		01/17/2013	92506	---	$ 122.94	$ -	$ 122.94
Total Overpayment										**$ 1,873.76**

ATTACHMENT D

FINAL DISPOSITION FOR SAMPLED SELECTIONS CHANGED FROM DRAFT TO FINAL AUDIT REPORT

HAMBURG CENTRAL SCHOOL DISTRICT
SPEECH EVALUATION SERVICES AUDIT
AUDIT #14-3077
AUDIT PERIOD: 08/03/2012 - 02/27/2013

BRIDGE SCHEDULE				
SAMPLE #	FINDING	DRAFT REPORT AMOUNT DISALLOWED	FINAL REPORT AMOUNT DISALLOWED	CHANGE
1	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
3	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
4	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
5	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
6	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
7	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
8	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
14	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
15	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
16	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
17	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
18	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
19	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
20	No Speech Evaluation Report/No IEP	$122.94	$72.37	($50.57)
TOTALS		$1,721.16	$1,013.18	($707.98)

Note: The adjustments shown above only reflect those that were revised as a result of the provider's response. All other financial adjustments remain the same as shown in the Draft Audit Report.