



Office of the  
Medicaid Inspector  
General

**DENNIS ROSEN**  
Medicaid Inspector General

# **Audit of Capitation Payments for Deceased Managed Care Enrollees**

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**Final Audit Report  
Audit #: 19-5955**

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**GuildNet, Inc.**  
**Provider ID #: 01827572**



**Office of the  
Medicaid Inspector  
General**

**ANDREW M. CUOMO**  
Governor

**DENNIS ROSEN**  
Medicaid Inspector General

January 9, 2020

[REDACTED]

GuildNet, Inc.  
c/o Lighthouse Guild  
250 West 64th Street  
New York, New York 10023

Re: Final Audit Report  
Audit #: 19-5955  
Provider ID #: 01827572

Dear [REDACTED]:

This is the Office of the Medicaid Inspector General's (OMIG) Final Audit Report for GuildNet, Inc. (Plan).

In accordance with the Managed Long Term Care Model Contract and Title 18 of the Official Compilation of the Codes, Rules and Regulations of the State of New York (18 NYCRR) Section 517.6, this Final Audit Report represents the final determination on the issues found during OMIG's audit.

After reviewing the Plan's November 20, 2019 response to OMIG's September 26, 2019 Draft Audit Report, OMIG has reduced the overpayments identified in the Draft Audit Report from \$280,637.17 to \$216,920.41 in this Final Audit Report. Based on this determination, the total amount due is \$216,920.41. A detailed explanation can be found in the Audit Findings section of this report.

The attachments referred to in this Final Audit Report will be sent via the Health Commerce System (HCS). Please provide a contact person with a dedicated HCS account. If you have any questions or comments concerning this report, please contact [REDACTED] or through email at [REDACTED]. Please refer to audit number 19-5955 in all correspondence.

[REDACTED]

Bureau of MC Audit and Program Reviews  
Division of Medicaid Audit  
Office of the Medicaid Inspector General

Attachments  
Certified Mail Number: 7018 1830 0000 1336 4852  
Return Receipt Requested

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## Background, Objective, and Audit Scope

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### Background

The New York State Department of Health (DOH) is the single state agency responsible for the administration of the Medicaid program. As part of its responsibility as an independent entity within DOH, the Office of the Medicaid Inspector General (OMIG) conducts audits and reviews of various providers of Medicaid reimbursable services, equipment, and supplies. These audits and reviews are directed at assessing provider compliance with applicable laws, regulations, rules, and policies of the Medicaid program as set forth in New York Public Health Law, New York Social Services Law, the regulations of DOH (Titles 10 and 18 of the New York Codes, Rules and Regulations), the regulations of the Department of Mental Hygiene (Title 14 of the New York Codes, Rules and Regulations), DOH's Medicaid Provider Manuals, *Medicaid Update* publications, and the Managed Long Term Care (MLTC) Model Contract (Contract).

In accordance with 18 NYCRR Part 518 and pursuant to the Contract, Article VI, F (1) (Department Right to Recover Premiums) and Article VIII, P (OMIG Audit Authority), the OMIG, on behalf of the Department, has a right to recover premiums paid to the Plan for enrollees listed on the monthly roster who are later determined to be deceased.

### Objective

The objective of this audit is to assess the Plan's adherence to applicable laws, regulations, rules and policies governing the New York State Medicaid program and to identify and recover:

- capitation payments made subsequent to an enrollee's month of death

### Audit Scope

This audit reviewed Medicaid Managed Care capitation payments for deceased enrollees between dates of service September 1, 2013 and July 1, 2019.

**Audit Findings**

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OMIG issued a Draft Audit Report to the Plan on September 26, 2019 that identified \$280,637.17 in Medicaid overpayments for months subsequent to an enrollee's month of death. The Plan's November 20, 2019 response (Attachment A) to the Draft Audit Report disputed 15 of the claims identified. After reviewing the Plan's response to the Draft Audit Report, OMIG agreed with the Plan and removed the 15 claims from the Final Audit Report findings. As a result, in this Final Audit Report, OMIG reduced the overpayments identified in the Draft Audit Report by \$63,716.76 (Attachment B), from \$280,637.17 to \$216,920.41 (Attachment C). Pursuant to Articles VI and VIII of the Contract, and Title 18 of the Official Compilation of the Codes, Rules and Regulations of the State of New York (18 NYCRR) Parts 517 and 518, OMIG, on behalf of DOH, may recover such overpayments.

Based on this determination, the total amount due to DOH, as defined in 18 NYCRR Section 518.1, is \$216,920.41 (Attachment C).

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## Repayment Options

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In accordance with 18 NYCRR Part 518, which regulates the collection of overpayments, your repayment options are described below.

**Option #1:** Make a full payment by check or money order within 20 days of the date of this Final Audit Report. The check should be made payable to the **New York State Department of Health** with the audit number included, and be sent with the attached remittance advice to:

[REDACTED]  
New York State Department of Health  
Medicaid Financial Management  
GNARESP Corning Tower, Room 2739  
Audit #: 19-5955  
Albany, New York 12237

**Option #2:** Enter into a repayment agreement with OMIG. If your repayment terms exceed 90 days from the date of this Final Audit Report, recoveries of amounts due are subject to interest charges at the Prime Rate plus two percent (2%). If the process of establishing the repayment agreement exceeds 20 days from the date of the final audit report, OMIG will impose a 50% withhold after 20 days until an agreement is established. OMIG acceptance of the repayment agreement is based on your repaying the Medicaid overpayment as agreed. 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 New York 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:

New York State  
Office of the Medicaid Inspector General  
Bureau of Collections Management  
800 North Pearl Street  
Albany, New York 12204  
Phone #: [REDACTED]  
Fax #: [REDACTED]

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## Hearing Rights

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

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

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

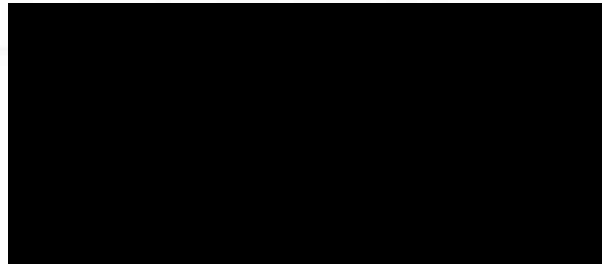
If a hearing is held, the Plan may have a person represent it or the Plan may represent itself. If the Plan chooses to be represented by someone other than an attorney, the Plan must supply along with its hearing request a signed authorization permitting that person to represent the Plan at the hearing;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

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

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## Contact Information

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Office Address:

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

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## Mission

The mission of the Office of the Medicaid Inspector General is to enhance the integrity of the New York State Medicaid program by preventing and detecting fraudulent, abusive, and wasteful practices within the Medicaid program and recovering improperly expended Medicaid funds while promoting high quality patient care.

## Vision

To be the national leader in promoting and protecting the integrity of the Medicaid program.



Office of the  
Medicaid Inspector  
General

## REMITTANCE ADVICE

GuildNet, Inc.  
c/o Lighthouse Guild  
250 West 64th Street  
New York, New York 10023

Provider ID #: 01827572

Audit #: 19-5955

Amount Due: \$216,920.41

Audit  
Type


☒ Managed Care

☐ Fee-for-Service

☐ Rate

### 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 the check to:

  
New York State Department of Health  
Medicaid Financial Management  
GNARESP Corning Tower, Room 2739  
Audit #: 19-5955  
Albany, New York 12237