NEW YORK STATE | Office of the Medicaid Inspector General

DENNIS ROSEN
Medicaid Inspector General

Audit of Multiple Client Identification Numbers in Different Managed Care Plans

Final Audit Report
Audit #: 19-7539

HealthPlus HP LLC

Provider ID #: 01617894

NEW YORK STATE | Office of the Medicaid Inspector General

ANDREW M. CUOMO
Governor

DENNIS ROSEN
Medicaid Inspector General

May 29, 2020

[redacted]
HealthPlus HP LLC
4425 Corporation Lane
Virginia Beach, Virginia 23462

Re: Final Audit Report
Audit #: 19-7539
Provider ID #: 01617894

Dear [redacted]

This is the Office of the Medicaid Inspector General's (OMIG) Final Audit Report for HealthPlus HP LLC (Plan).

In accordance with the Medicaid Managed Care/Family Health Plus/HIV Special Needs Plan Model Contract and Title 18 of the Official Compilation of the Codes, Rules and Regulations of the State of New York (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 January 23, 2020 response to OMIG's December 19, 2019 Revised Draft Audit Report, the overpayments in this Final Audit Report remain unchanged from those overpayments identified in the Revised Draft Audit Report. Based on this determination, the final overpayment amount is $4,871,918.56. A detailed explanation can be found in the Audit Findings section.

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 to obtain your copy of the attachments via HCS, please contact [redacted] or through email at [redacted] Please refer to audit number 19-7539 in all correspondence.

[redacted]
Bureau of Managed Care Audit & Program Reviews
Division of Medicaid Audit
Office of the Medicaid Inspector General

Attachments
Certified Mail Number: 7019-0700-0000-1672-4778
Return Receipt Requested

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Background, Objective, and Audit Scope

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 NYCRR), the regulations of the Department of Mental Hygiene (Title 14 of the NYCRR), DOH's Medicaid Provider Manuals, *Medicaid Update* publications, and the Medicaid Managed Care/Family Health Plus/HIV Special Needs Plan Model Contract (Contract).

In accordance with 18 NYCRR Parts 517 and 518 and pursuant to the Contract, specifically Section 3.6 (SDOH Right to Recover Premiums), Section 19.7 (OMIG Audit Authority) and Appendix H, the OMIG, on behalf of the DOH, has the right to recover premiums paid to the Plan for enrollees listed on the monthly roster who are later determined to have been ineligible for the entire applicable payment month.

Objective

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

- the Plan is not in receipt of capitation payments for an individual who was enrolled in a different managed care organization (MCO) under a different CIN for the same payment month; and
- capitation payments were submitted in accordance with applicable rules and requirements.

Audit Scope

This audit identified instances where capitation payments were made to the Plan for enrollees who were concurrently enrolled in a different MCO under a different CIN, and then determined which of the concurrent capitation payments were paid inappropriately. These determinations were based on guidance provided by the New York State Department of Health, Office of Health Insurance Programs (OHIP) whereby encounter data reported by the MCO, or lack thereof, during the concurrent enrollment period was utilized to make the overpayment determination. If encounter data was inconclusive, the capitation payment will be recovered from the MCO affiliated with the CIN first closed by the local district. This audit included capitation payments made to the Plan for dates of service starting between January 1, 2014 and December 31, 2016 and continuing until the concurrent payments end.

Audit Findings

OMIG issued a Revised Draft Audit Report to the Plan on December 19, 2019 that identified $4,871,918.56 in Medicaid overpayments due to capitation payments made to the Plan for enrollees who were concurrently enrolled in a different MCO under a different CIN. The Plan's January 23, 2020 response (Attachment A) to the Revised Draft Audit Report disputed a portion of the claims identified. After reviewing the Plan's response to the Revised Draft Audit Report, the overpayments identified (Attachment B) in this Final Audit Report remain unchanged from those cited in the Revised Draft Audit Report. Pursuant to Section 3.6, 19.7, and Appendix H of the Contract, and 18 NYCRR Parts 517 and 518, OMIG, on behalf of DOH, may recover such overpayments.

Based on this determination, the final overpayment amount, as defined in 18 NYCRR Section 518.1, is $4,871,918.56. Subsequent to the issuance of the Revised Draft Audit Report, the Plan voided claims in the amount of $4,782,905.68 (Attachment B). Therefore, the total amount due to DOH is $89,012.88 (Attachment B).

Repayment Options

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 #: 19-7539
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]

Hearing Rights

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 Section 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.

Contact Information



Office Address:

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

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.

NEW YORK STATE | Office of the Medicaid Inspector General

REMITTANCE ADVICE

HealthPlus HP LLC
4425 Corporation Lane
Virginia Beach, Virginia 23462

Provider ID #: 01617894

Audit #: 19-7539

Amount Due: $89,012.88

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:

[redacted]
New York State Department of Health
Medicaid Financial Management
GNARESP Corning Tower, Room 2739
Audit #: 19-7539
Albany, New York 12237