



Office of the  
Medicaid Inspector  
General

FRANK T. WALSH, JR.  
Acting Medicaid Inspector General

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# **Audit of Claims for OMH Outpatient Mental Health Services**

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**Final Audit Report  
Audit #: 19-7709**

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## **Long Island Consultation Center**

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**Provider ID #: 00244019  
NPI #: 1295878577**



Office of the  
Medicaid Inspector  
General

ANDREW M. CUOMO  
Governor

FRANK T. WALSH, JR.  
Acting Medicaid Inspector General

July 14, 2021

[REDACTED]  
Long Island Consultation Center  
91-31 Queens Blvd. Suite 222  
Elmhurst, New York 11373

Re: Final Audit Report  
Audit #: 19-7709  
Provider ID #: 00244019

Dear [REDACTED]

This is the Office of the Medicaid Inspector General's (OMIG) Final Audit Report for Long Island Consultation Center (Provider).

In accordance with Sections 30, 31 and 32 of the New York State Public Health Law, and Title 18 of the Official Compilation of the Codes, Rules and Regulations of the State of New York (NYCRR) Parts 504 and 517, OMIG performed an audit of OMH outpatient mental health claims paid to the Provider from January 1, 2014, through December 31, 2016. The audit universe consisted of 33,271 claims totaling \$3,766,586.71. The audit consisted of a random sample of 100 claims with Medicaid payments totaling \$10,936.93 (Attachment A).

The Provider's June 28, 2021 response to OMIG's June 16, 2021 Draft Audit Report stated that the Provider is in agreement with the Draft Audit Report findings. OMIG has attached the sample detail for the paid claims determined to be in error. The point estimate overpaid is \$348,464. The lower confidence limit of the amount overpaid is \$169,140. We are 95% certain that the actual amount of the overpayment is greater than the lower confidence limit. This audit may be settled through repayment of the lower confidence limit of \$169,140.

If you have any questions or comments concerning this report, please contact [REDACTED] at [REDACTED] or through email at [REDACTED]. Please refer to audit number 19-7709 in all correspondence.

[REDACTED]  
Division of Medicaid Audit  
Office of the Medicaid Inspector General

Attachments  
Certified Mail Number: 7015-0640-0003-2856-4300  
Return Receipt Requested  
[REDACTED]

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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 Office of Mental Hygiene (Title 14 of the New York Codes Rules and Regulations), the regulations of the Education Department (Title 8 of the New York Codes Rules and Regulations), DOH's Medicaid Provider Manuals and *Medicaid Update* publications.

The purpose of outpatient mental health programs is to diagnose and treat mentally ill adults and children on an ambulatory basis. Outpatient mental health programs are offered at hospital-based, freestanding, or state operated Psychiatric Centers. There are five categories of outpatient mental health programs: clinic treatment, continuing day treatment, day treatment serving children, intensive psychiatric rehabilitation treatment, and partial hospitalization. The specific standards and criteria for mental health clinics are outlined in Title 14 NYCRR Parts 587, 588, 599, and Title 18 NYCRR Section 505.25. The MMIS Provider Manual for Clinics also provides program guidance for claiming Medicaid reimbursement for mental health clinic services.

### Objective

The objective of this audit was to assess Long Island Consultation Center's (Provider) adherence to applicable laws, regulations, rules and policies governing the New York State Medicaid program and to verify that:

- Medicaid reimbursable services were rendered for the dates billed;
- appropriate rate codes were billed for services rendered;
- recipient related records contained the documentation required by the regulations; and,
- claims for payment were submitted in accordance with applicable rules and requirements.

### Audit Scope

A review of OMH outpatient mental health services claims paid to the Provider by Medicaid for payment dates included in the period beginning January 1, 2014, and ending December 31, 2016, was completed.

The audit universe consisted of 33,271 claims totaling \$3,766,586.71. The audit sample consisted of 100 claims totaling \$10,936.93 (Attachment A).



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## Regulations of General Application

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Each audit finding is supported by relevant regulations, policy statements and manuals. In addition, the audit findings in this audit are supported by regulations of general application to the Medicaid program. These regulations are provided below.

"By enrolling the provider agrees: (a) to prepare and to maintain contemporaneous records demonstrating its right to receive payment . . . and to keep for a period of six years from the date the care, services or supplies were furnished, all records necessary to disclose the nature and extent of services furnished and all information regarding claims for payment submitted by, or on behalf of, the provider . . . (e) to submit claims for payment only for services actually furnished and which were medically necessary or otherwise authorized under the Social Services Law when furnished and which were provided to eligible persons; (f) to submit claims on officially authorized claim forms in the manner specified by the department in conformance with the standards and procedures for claims submission; . . . (h) that the information provided in relation to any claim for payment shall be true, accurate and complete; and (i) to comply with the rules, regulations and official directives of the department."

*18 NYCRR Section 504.3*

"Fee-for-service providers. (1) All providers . . . must prepare and maintain contemporaneous records demonstrating their right to receive payment under the medical assistance program. All records necessary to disclose the nature and extent of services furnished and the medical necessity therefor . . . must be kept by the provider for a period of six years from the date the care, services or supplies were furnished or billed, whichever is later. (2) All information regarding claims for payment submitted by or on behalf of the provider is subject to audit for a period of six years from the date the care, services or supplies were furnished or billed, whichever is later, and must be furnished, upon request, to the department . . . for audit and review."

*18 NYCRR Section 517.3(b)*

"All bills for medical care, services and supplies shall contain: (1) patient name, case number and date of service; (2) itemization of the volume and specific types of care, services and supplies provided (including for a physician, his final diagnosis, and for drugs, the prescription filled); (3) the unit price and total cost of the care, services and supplies provided; . . . and (8) a dated certification by the provider that the care, services and supplies itemized have in fact been furnished; that the amounts listed are due and owing; . . . that such records as are necessary to disclose fully the extent of care, services and supplies provided to individuals under the New York State Medicaid program will be kept for a period of not less than six years from the date of payment; . . . and that the provider understands that payment and satisfaction of this claim will be from Federal, State and local public funds and that he or she may be prosecuted under applicable Federal and State laws for any false claims, statements or documents, or concealment of a material fact provided...."

*18 NYCRR Section 540.7(a)(1)-(3) and (8)*

"An overpayment includes any amount not authorized to be paid under the medical assistance program, whether paid as the result of inaccurate or improper cost reporting, improper claiming, unacceptable practices, fraud, abuse or mistake."

*18 NYCRR Section 518.1(c)*

"Vendor payments for medical care and other items of medical assistance shall not be made unless such care or other items of assistance have been furnished on the basis of the appropriate authorization prescribed by the rules of the board and regulations of the department."

*18 NYCRR Section 540.1*

"The department may require repayment from the person submitting an incorrect or improper claim, or the person causing such claim to be submitted, or the person receiving payment for the claim."

*18 NYCRR Section 518.3(a)*

"The department may require repayment for inappropriate, improper, unnecessary or excessive care, services or supplies from the person furnishing them, or the person under whose supervision they were furnished, or the person causing them to be furnished...."

*18 NYCRR Section 518.3(b)*

"Medical care, services or supplies ordered or prescribed will be considered excessive or not medically necessary unless the medical basis and specific need for them are fully and properly documented in the client's medical record."

*18 NYCRR Section 518.3(b)*

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## Audit Findings

OMIG issued a Draft Audit Report to the Provider on June 16, 2021. The Provider's June 28, 2021 response (Attachment D) to the Draft Audit Report stated that the Provider is in agreement with the Draft Audit Report findings. As a result, the total sample overpayment of \$1,047.35 remains unchanged from the sample overpayment cited in the Draft Audit Report. A description of each finding, regulations, and the list of samples supporting each finding, appear below. Each sample may contain more than one error, and may be listed in more than one category of finding. A sample may only be disallowed once in an audit, however, each sample is subject to disallowance based on a single error.

### Summary of Audit Findings

<u>Error Description</u>	<u>Number of Errors</u>
Duration of Service Not Documented	4
Failure to Meet Collateral Billing Duration Requirements	4
Duration of Preadmission or Initial Assessment Visit Not Documented	2
Missing Progress Note	1

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**Audit Findings Detail**

OMIG's review of Medicaid claims paid to the Provider from January 1, 2014, through December 31, 2016, identified 11 claims with at least one error, for a total sample overpayment of \$1,047.35 (Attachment C).

**1. Duration of Service Not Documented**

"Progress notes shall be recorded by the clinical staff member(s) who provided services to the recipient upon each occasion of service. ... The progress notes shall also document the date and duration of each service provided..."

*14 NYCRR Section 599.10(k)*

In 4 instances pertaining to 4 recipients, the record did not indicate the duration of the billed service. This finding applies to Sample #s 10, 45, 49 and 57.

**2. Failure to Meet Collateral Billing Duration Requirements**

"Psychotherapy - family/collateral with the recipient requires documented cumulative, continuous face-to-face with the recipient and the collateral of a minimum duration of 60 minutes, during which time the recipient shall be present for at least the majority of the time....."

*14 NYCRR Section 599.14(d)(6)(ii)*

"Psychotherapy - family/collateral without the recipient requires documented face-to-face service with the collateral of a minimum duration of at least 30 minutes....."

*14 NYCRR Section 599.14(d)(6)(iii)*

In 4 instances pertaining to 3 recipients, the duration of the collateral session was less than the required duration for the service claimed. This finding applies to Sample #s 18, 20, 22 and 80.

**3. Duration of Preadmission or Initial Assessment Visit Not Documented**

"... The progress notes shall also document the date and duration of each service provided....."

*14 NYCRR Section 599.10(k)*

In 2 instances pertaining to 2 recipients, the recipient record did not indicate the duration of the preadmission visit. This finding applies to Sample #s 76 and 81.

**4. Missing Progress Note**

"Progress notes shall be recorded by the clinical staff member(s) who provided services to the recipient upon each occasion of service. These notes must summarize the service(s) provided, update the recipient's progress toward his or her goals, and include any recommended changes to the elements of the recipient's treatment plan. ..."

*14 NYCRR Section 599.10(k)*

"The case record shall be available to all staff of the clinic who are participating in the treatment of the recipient and shall include the following information: (8) dated progress notes that relate

to goals and objectives of treatment; (9) dated progress notes that relate to significant events and/or untoward incidents.”

*14 NYCRR Section 599.11(b)(8) and (9)*

In 1 instance, the required progress note was missing. This finding applies to Sample # 88.

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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, money order, or OMIG's Online Payment Portal 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, should include the audit number on the memo line, and be mailed with the attached remittance advice to:

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

- If you elect to pay electronically through OMIG's Online Payment Portal, please visit [REDACTED] or contact OMIG's Bureau of Collections Management by telephone or email, at the above number or address.

**Option #2:** Enter into a repayment agreement with OMIG. 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%. OMIG's acceptance of a 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. If you wish to enter into a repayment agreement, please contact the Bureau of Collections Management within 20 days, by telephone or email, as provided above.

Should you fail to select a payment option above within 20 days of the date of this Report, OMIG will initiate recoupment by withholding all or a part of your payments otherwise payable, in accordance with 18 NYCRR 518.6. Additionally, OMIG reserves the right to use any remedy allowed by law to collect the amount due. Pursuant to the State Finance Law Section 18(5), a collection fee equal to twenty two percent (22%) of the amount due, including interest, may be added to the amount owed.

## Hearing Rights

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If you choose not to settle this audit through repayment of the lower confidence limit, you have the right to challenge these findings by requesting an administrative hearing where OMIG would seek and defend the point estimate of \$348,464. 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, NY 12204

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

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 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.



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## Contact Information

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Office Address:

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New York State  
Office of the Medicaid Inspector General  
Division of Medicaid Audit  
90 Church Street, 14th Floor  
New York, New York 10007

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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

[REDACTED]  
Long Island Consultation Center  
91-31 Queens Boulevard, Suite 222  
Elmhurst, New York 11373

Provider ID #: 00244019

Audit #: 19-7709

Amount Due: \$169,140

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



If you elect to pay electronically through OMIG's Online Payment Portal, please visit [REDACTED] or contact OMIG's Bureau of Collections Management by telephone or email, at the above number or address.