NEW YORK STATE | Office of the Medicaid Inspector General

FRANK T. WALSH, JR.
Acting Medicaid Inspector General

Audit of Capitation Payments for Deceased Managed Care Enrollees

Final Audit Report
Audit #: 21-6575

HealthPlus HP LLC

Provider ID #: 01617894

NEW YORK STATE | Office of the Medicaid Inspector General

KATHY HOCHUL
Governor

FRANK T. WALSH, JR.
Acting Medicaid Inspector General

April 7, 2022

[redacted]
HealthPlus HP LLC
1300 Amerigroup Way
Virginia Beach, Virginia 23464

Re: Final Audit Report
Audit #: 21-6575
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 (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 January 6, 2022 response to OMIG's December 2, 2021 Draft Audit Report, the overpayments in this Final Audit Report remain unchanged from those overpayments identified in the Draft Audit Report. Based on this determination, the total amount due is $1,708,451.31, inclusive of rate adjustments. 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] through email at [redacted]. Please refer to audit number 21-6575 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: 7021 2720 0000 1236 6982
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 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 Medicaid Managed Care/Family Health Plus/HIV Special Needs Plan Model Contract (Contract).

In accordance with 18 NYCRR Part 518 and pursuant to the Contract, Section 3.6 (SDOH Right to Recover Premiums), Section 19.7 (OMIG Audit Authority) and Appendix H, 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 was 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 whose dates of death were received by OMIG between August 1, 2020 and August 31, 2021.

Audit Findings

The OMIG issued a Draft Audit Report to the Plan on December 2, 2021 that identified $1,698,938.31 in Medicaid overpayments for months subsequent to an enrollee's month of death. The Plan's January 6, 2022 response (Attachment A) to the Draft Audit Report disputed a portion of the claims identified. After reviewing the Plan's response to the Draft Audit Report, the overpayments identified (Attachment B) in this Final Audit Report remain unchanged from those cited in the Draft Audit Report. During the audit process, rate adjustments of $9,513 occurred increasing the overpayment to $1,708,451.31 (Attachment B). Pursuant to Section 3.6 (SDOH Right to Recover Premiums), Section 19.7 (OMIG Audit Authority) and Appendix H of the Contract, and Title 18 of the 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 $1,708,451.31, inclusive of rate adjustments (Attachment B). Subsequent to the issuance of the Draft Audit Report, the Plan voided claims in the amount of $1,708,451.31. Therefore, there is no remaining amount due to DOH (Attachment B).

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 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.