NEW YORK STATE | Office of the Medicaid Inspector General

FRANK T. WALSH, JR.
Acting Medicaid Inspector General

Audit of Fee-For-Service Claims Billed by Network Providers for Medicaid Managed Care Enrollees

Final Audit Report
Audit #: 22-3927

Harlem East Life Plan

Provider ID #: 01979006

NEW YORK STATE | Office of the Medicaid Inspector General

KATHY HOCHUL
Governor

FRANK T. WALSH, JR.
Acting Medicaid Inspector General

November 10, 2022

Attn: Administrator
Harlem East Life Plan
2367-69 2nd Avenue
New York, New York 10035-3108

Re: Final Audit Report
Audit #: 22-3927
Provider ID #: 01979006

Dear Administrator:

This is the Office of the Medicaid Inspector General's (OMIG) Final Audit Report for Harlem East Life Plan (Provider).

In accordance with 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.

The Provider's did not respond to OMIG's June 30, 2022, Draft Audit Report. As a result, the overpayments identified in this Final Audit Report remain unchanged from those cited in the Draft Audit Report. Based on this determination, the total amount due is $1,223.44. 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] Please refer to audit number 22-3927 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: 7021-0350-0000-6246-7692
Return Receipt Requested

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Background

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.

Managed Care Organizations (MCO) arrange and pay for a large array of health and social services, such as home health care, nursing home care, dentistry, vision care, and durable medical equipment. DOH created a model contract for each of the four plan types, which identifies the services plans must cover. The model contracts require the MCO to pay for all covered services in exchange for monthly premium payments. Services that are covered by the MCO should not be billed to Medicaid on a Fee for Service (FFS) basis.

The DOH is responsible for monitoring the Medicaid Program in New York State. This includes evaluating whether providers of medical care, services and supplies are in compliance with applicable State and Federal law and regulations. The Department conducts audits of persons who submit claims for payment under the Medicaid Program, and the Department may seek recovery or restitution if payments were improperly claimed, regardless of whether unacceptable practices have occurred. The Department may either conduct an on-site field audit of a person's records or it may conduct an in-house review utilizing data processing procedures.

42 CFR. 431.958- definition of improper payment- means any payment that should not have been made or that was made in an incorrect amount (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements; and includes any payment to an ineligible beneficiary, any duplicate payment, any payment for services not received, any payment incorrectly denied, and any payment that does not account for credits or applicable discounts.

518.1(c)- 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.

Objective and Audit Scope

Objective

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

- Paid Fee-for-Service (FFS) claims for services that were covered and paid for by a (MCO).

Audit Scope

This audit identified instances where FFS claims were paid for services covered and paid by a MCO for dates of service included in the period beginning July 1, 2016, and ending December 31, 2016.

Audit Findings

The OMIG issued a Draft Audit Report to the Provider on June 30, 2022, that identified $1,223.44 in Medicaid overpayments when FFS payments were made to the Provider on behalf of enrollees who were simultaneously enrolled in a MCO and the MCO also paid the provider. The Provider did not respond to the Draft Audit Report findings. As a result, the overpayments identified (Attachment A) in this Final Audit Report remain unchanged from those cited in the Draft Audit Report. Pursuant to 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 $1,223.44 (Attachment A). Subsequent to the issuance of the Draft Audit Report, the Plan voided the claim in the amount of $1,223.44. Therefore, there is no remaining amount due to DOH (Attachment A).

Hearing Rights

The Provider 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 Provider 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 Provider may have a person represent it or the Provider may represent itself. If the Provider chooses to be represented by someone other than an attorney, the Provider must supply along with its hearing request a signed authorization permitting that person to represent the Provider at the hearing; the Provider 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.