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 #: 22-3949

St. Lukes Roosevelt Hospital Center

Provider ID #: 00354967

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
St. Lukes Roosevelt Hospital Center
One Gustave L. Levy Place, Box 1008
New York, New York 10029

Re: Final Audit Report
Audit #: 22-3949
Provider ID #: 00354967

Dear Administrator:

This is the Office of the Medicaid Inspector General's (OMIG) Final Audit Report for St. Lukes Roosevelt Hospital Center (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.

After reviewing the Provider's October 27, 2022 response to OMIG's August 25, 2022 Revised Draft Audit Report, and upon further review, OMIG has reduced the overpayments identified in the Revised Draft Audit Report from $27,228.56 to $8,664.20 in this Final Audit Report. Based on this determination, the total amount due is $8,664.20. 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) or via SendVault, a secure file transfer application. Please provide a contact person to receive the attachments electronically. If you have any questions or comments concerning this report, please contact [redacted]. Please refer to audit number 22-3949 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 0001 9900 2643
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 Revised Draft Audit Report to the Provider on August 25, 2022, that identified $27,228.56 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's October 27, 2022 response (Attachment A) to the Revised Draft Audit Report disputed one of the claims identified. After reviewing the Provider's response to the Revised Draft Audit Report, OMIG agreed with the Provider and removed the claim 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 $15,919.25 (Attachment B), from $27,228.56 to $11,309.31 (Attachment C). Upon further review, OMIG determined that the Provider is entitled to one Graduate Medical Education (GME) payment in the amount of $2,645.11 reducing the overpayment from $11,309.31 to $8,664.20 (Attachment C). 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 $8,664.20 (Attachment C).

Do not submit claim voids or adjustments in response to this Final Audit Report. Repayment instructions are outlined on the next page.

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, 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
[redacted]

- [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

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.

NEW YORK STATE | Office of the Medicaid Inspector General

REMITTANCE ADVICE

St. Lukes Roosevelt Hospital Center
One Gustave L. Levy Place, Box 1008
New York, New York 1029

Provider ID #: 00354967

Audit #: 22-3949

Amount Due: $8,664.20

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

[redacted]

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.