



**Office of the Medicaid
Inspector General**

FRANK T. WALSH, JR.
Acting Medicaid Inspector General

Audit of Multiple Client Identification Numbers for Enrollees in the Same Managed Care Plan

**Final Audit Report
Audit #: 24-5535**

Independent Health Association, Inc.

Provider ID #: [REDACTED]



**Office of the Medicaid
Inspector General**

KATHY HOCHUL
Governor

FRANK T. WALSH, JR.
Acting Medicaid Inspector General

January 16, 2025

[REDACTED]
Independent Health Association, Inc.
511 Farber Lakes Drive
Buffalo, New York 14221-5779

RE: Final Audit Report
Audit #: 24-5535
Provider ID: [REDACTED]

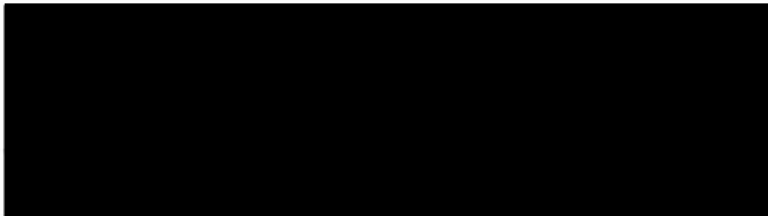
Dear [REDACTED]:

This is the Office of the Medicaid Inspector General's (OMIG) Final Audit Report for Independent Health Association, Inc. (Plan).

In accordance with the Medicaid Managed Care/Family Health Plus/HIV Special Needs Plan Model Contract (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.

The Plan's October 22, 2024 response to OMIG's September 12, 2024 Draft Audit Report stated that the Plan is in agreement with the Draft Audit Report findings. As a result, the overpayments identified in this Final Audit Report remain unchanged from those cited in the Draft Audit Report. The final overpayment amount is \$58,013.29, inclusive of rate adjustments. 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] through email at [REDACTED]. Please refer to audit number 24-5535 in all correspondence.



Division of Medicaid Audit
Office of Medicaid Inspector General

Attachment
Certified Mail #: [REDACTED]
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 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, OMIG, on behalf of the DOH, has the right to recover premiums paid to the Plan for enrollees listed on the monthly roster who have concurrent enrollment in one or more managed care organization (MCO) under more than one CIN.

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 the same 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 multiple capitation payments were made to the Plan for enrollees who were assigned more than one CIN and subsequently enrolled in the same MCO for the same payment month. This audit includes CIN pairs where capitation payments were made to the Plan for dates of service starting between January 1, 2020 and December 31, 2022 and continuing until the concurrent payments end.

Audit Findings

OMIG issued a Draft Audit Report to the Plan on September 12, 2024 that identified \$57,992.57 in Medicaid overpayments due to capitation payments made to the Plan for enrollees who were assigned more than one CIN and enrolled in the same MCO for the same payment month. The Plan's October 22, 2024 response (Attachment A) to the Draft Audit Report stated that the Plan is in agreement with the Draft Audit Report findings. During the audit process, rate adjustments of \$20.72 occurred, increasing the overpayment to \$58,013.29 (Attachment B). 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 \$58,013.29. Subsequent to the issuance of the Draft Audit Report, the Plan voided claims in the amount of \$58,013.29 (Attachment B). Therefore, no balance is due to DOH.

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

[Redacted]

[Redacted]

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.