



Office of the  
Medicaid Inspector  
General

**FRANK T. WALSH, JR.**  
Acting Medicaid Inspector General

# **Audit of Claims for OASAS Services Billed in Excess of APG Category-Specific Medicaid Billing Parameters Paid from January 1, 2020 to October 31, 2023**

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**Final Audit Report  
Audit #: 2024Z91-017M**

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**Carnegie Hill Institute**

**Provider ID #: [REDACTED]**



Office of the  
Medicaid Inspector  
General

KATHY HOCHUL  
Governor

FRANK T. WALSH, JR.  
Acting Medicaid Inspector General

January 17, 2025

Carnegie Hill Institute  
116 East 92nd Street Apartment 1A  
New York, New York 10128-1620



Final Audit Report  
Audit #: 2024Z91-017M  
Provider ID #: [REDACTED]

Dear Provider:

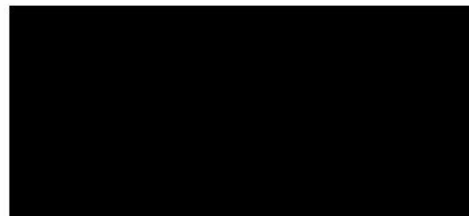
This is the Office of the Medicaid Inspector General's (OMIG) Final Audit Report for Carnegie Hill Institute (Provider).

In accordance with Title 18 of the Official Compilation of the Codes, Rules and Regulations of the State of New York Part 517, the attached Final Audit Report represents the final determination on the issues found during OMIG's audit.

The Provider's December 19, 2024 response to OMIG's July 25, 2024 Draft Audit Report stated that the Provider is in agreement with the Draft Audit Report findings. Subsequently, OMIG adjustments resulted in the Draft Audit Report overpayments being reduced from \$2,865.21 to \$2,863.95 in the Final Report. The total Medicaid overpayment is \$2,863.95, including interest to date. A detailed explanation can be found in the Audit Findings section of this report. **Please be advised that claim voids or adjustments should not be utilized to address the Medicaid overpayments for this audit.**

The OMIG has determined that Carnegie Hill New York, Inc. [REDACTED] is an affiliate of Carnegie Hill Institute, as defined in 18 NYCRR 504.1(d)(1).

OMIG has attached the exhibit of paid claims identified as overpayments. Please email [REDACTED] at [REDACTED] if you have any questions or comments concerning this report. Please refer to audit number 2024Z91-017M in all correspondence.



Division of Medicaid Audit  
Office of the Medicaid Inspector General

Attachments

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A – OASAS Services Billed in Excess of APG Category-Specific Medicaid Billing Parameters Paid from January 1, 2020 to October 31, 2023	

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

For Medicaid reimbursement, the APG reimbursement methodology has replaced the threshold visit reimbursement system for OASAS certified clinic and rehabilitation programs, opiate treatment, and outpatient chemical dependency for youth programs. The APG payment methodology pays differential amounts for ambulatory care services based on the resources required for each service provided during a patient visit. In addition, APGs support discrete Medicaid reimbursement for some chemical dependence services that were not previously billable and allow for some services that are integral to the treatment of patients in chemical dependency treatment, such as mental and physical health services.

Under APGs, providers must use certain APG-specific CPT and HCPCS codes to bill Medicaid and providers may, for the same patient on the same visit date, be able to bill Medicaid for multiple services. While a provider can provide multiple services in the same day, there are APG category-specific Medicaid billing parameters that providers must understand. These parameters set a limit of one service per day for certain types of APG service categories. The types of services that fall under the one-per-day limitation include the following: Group Counseling, Individual Counseling, Admission Assessments, Outpatient Rehabilitation Services, Brief Treatments, Brief Interventions, Medication Administration and Observation, Medication Management, and Screenings. In addition to the one-per-day limitation, while a patient is admitted to Outpatient Rehabilitation Services, the Outpatient Rehabilitation Program may not bill any other service categories with the exception of medication administration and observation, medication management, complex care coordination, peer support services and collateral visits.

### 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 recover paid claims for OASAS services billed in excess of APG category-specific Medicaid billing parameters.

### Audit Scope

An audit of OASAS services billed in excess of APG category-specific Medicaid billing parameters for payment dates included in the period beginning January 1, 2020 and ending October 31, 2023 was completed.

*Please note that due to the implementation of the National Provider Identifier (NPI) on September 1, 2008, there may be multiple Provider Identification Numbers associated with the Primary Provider Identification Number. The NPI is linked to the Primary Provider Identification Number. The Primary Provider Identification Number is used for correspondence and recoupment.*

## Audit Findings

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OMIG issued a Draft Audit Report to the Provider on July 25, 2024 that identified \$2,865.21, in Medicaid overpayments. The Provider's December 19, 2024 response to the Draft Audit Report stated that the Provider is in agreement with the Draft Audit Report findings. Subsequently, OMIG adjustments reduced the overpayments identified in this Final Audit Report by \$1.26, from \$2,865.21, to \$2,863.95.

The following audit criteria resulted in audit findings and overpayment determinations, as outlined below and in the exhibit. A description of the finding and regulations/program citations appear below.

### **1. OASAS Services Billed in Excess of APG Category-Specific Medicaid Billing Parameters**

A review of your claims shows that in numerous instances Medicaid was inappropriately billed claims for OASAS services in excess of APG category-specific Medicaid billing parameters. The billing of OASAS services in excess of APG category-specific Medicaid billing parameters was contrary to and in violation of Medicaid regulations, rules, and guidance as outlined below.

By enrolling the provider agrees...that the information provided in relation to any claim for payment shall be true, accurate, and complete.

*18 NYCRR 504.3(h)*

By enrolling the provider agrees...to comply with the rules, regulations, and official directives of the department.

*18 NYCRR 504.3(i)*

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,...

*18 NYCRR 517.3(b)(2)*

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 518.1(c)*

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 518.3(a)*

Persons furnishing, or supervising the furnishing of, medical care, services or supplies are jointly and severally liable for any overpayments resulting from the furnishing of the care, services or supplies...

*18 NYCRR 518.3(c)*

Admission assessment services. Admission assessment services consist of three levels of billable services: brief assessment, normative assessment and extended assessment. No more than one admission assessment visit may be billed for any patient per day...

*14 NYCRR 841.14(i)(1)*

Brief intervention. No more than one brief intervention may be billed for any patient per day...  
*14 NYCRR 841.14(i)(2)*

Brief treatment. No more than one brief treatment may be billed for any patient per day...  
*14 NYCRR 841.14(i)(3)*

Group counseling. No more than one group counseling service may be billed for any patient per day...  
*14 NYCRR 841.14(i)(6)*

Individual counseling. No more than one individual counseling service may be billed for any patient per day...  
*14 NYCRR 841.14(i)(7)*

Medication administration and observation. No more than one medication administration and observation service may be billed for any patient per day...  
*14 NYCRR 841.14(i)(9)*

Medication management... No more than one medication management service may be billed for any patient per day...  
*14 NYCRR 841.14(i)(10)*

Outpatient rehabilitation services. No more than one outpatient rehabilitation service may be billed for any patient per day. Programs that provide outpatient rehabilitation services may also bill for medication administration and observation, medication management, complex care coordination, peer support services and collateral visits consistent with the standards set forth in this subdivision. Programs may not bill for any other service categories while a patient is admitted to the outpatient rehabilitation service...  
*14 NYCRR 841.14(i)(11)*

Screening. No more than one screening may be billed for any patient within an episode of care...  
*14 NYCRR 841.14(i)(13)*

Exhibit A is a list of OASAS services billed in excess of APG category-specific Medicaid billing parameters. As a result, OMIG has determined that **\$2,385.96** was inappropriately billed to Medicaid, resulting in Medicaid overpayments.

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## Summary of Overpayment

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Pursuant to Title 18 New York Codes, Rules and Regulations (NYCRR) Parts 517 and 518, OMIG, on behalf of DOH, may recover overpayments. In accordance with 18 NYCRR Section 518.4(b), interest may be collected on any overpayments identified in this audit and will accrue at the current rate from the date of the overpayment. Interest on the overpayments identified in this Final Audit Report was calculated from the date of each overpayment through the date of the Draft Audit Report, using the Federal Reserve Prime Rate. For the overpayments identified in this audit, OMIG has determined that accrued interest in the amount of **\$477.99** (Exhibit A) is owed.

Based on this determination, the total amount due to DOH, as defined in 18 NYCRR Section 518.1, is **\$2,863.95** (Exhibit A), including interest to date.

***CLAIM VOIDS OR ADJUSTMENTS SHOULD NOT BE UTILIZED TO ADDRESS THE MEDICAID OVERPAYMENTS IDENTIFIED IN THIS FINAL AUDIT REPORT.***

## 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  
Phone #: [REDACTED]  
Fax #: [REDACTED]  
Email: [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.

**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.



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## Hearing Rights

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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 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 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.

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## Contact Information

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Office Address:

New York State  
Office of the Medicaid Inspector General  
Division of Medicaid Audit  
800 North Pearl Street  
Albany, New York 12204

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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

Carnegie Hill Institute  
116 East 92nd Street Apartment 1A  
New York, New York 10128-1620

Provider ID #: [REDACTED]

Audit #: 2024Z91-017M

Amount Due: \$2,863.95

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  
Phone #: [REDACTED]  
Fax #: [REDACTED]  
Email: [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.