



STATE OF NEW YORK  
OFFICE OF THE MEDICAID INSPECTOR GENERAL  
800 North Pearl Street  
Albany, New York 12204

ANDREW M. CUOMO  
GOVERNOR

JAMES C. COX  
MEDICAID INSPECTOR GENERAL

July 18, 2014

[REDACTED]  
Four Seasons Nursing & Rehabilitation Center  
1555 Rockaway Parkway  
Brooklyn, New York 11236

Re: Medicaid PRI Audit #11-3427  
NPI Number: [REDACTED]  
Provider Number: [REDACTED]

Dear [REDACTED]

This is the final audit report of findings with regard to the Office of the Medicaid Inspector General's ("OMIG") Patient Review Instruments ("PRI") audit of Four Seasons Nursing & Rehab Center ("Facility") for the audit period July 1, 2005 through December 31, 2008. In accordance with 18 NYCRR Section 517.6, this final audit report represents the OMIG's final determination on issues raised in the (revised) draft audit report.

In your response to the draft audit report dated January 16, 2014, you identified specific audit findings with which you disagreed. Your comments have been considered (see Attachment A-1) and the report has been either revised accordingly and/or amended to address your comments (See Attachment A-2). Consideration of your comments resulted in an overall reduction of \$225,127 to the total Medicaid overpayment shown in the draft audit report.

The findings applicable to the November 1, 2006 through March 31, 2009 Medicaid rates resulted in a Medicaid overpayment of \$222,403 as detailed in Attachment A-2. This overpayment is subject to Department of Health ("DOH") and Division of Budget ("DOB") final approval. While not anticipated, any difference between the calculated overpayment and the final DOH and DOB amount will be resolved with the Facility by the OMIG Bureau of Collections Management. The finding explanation, regulatory reference, and applicable adjustment can be found in the exhibits following Attachment A-2.

In accordance with 18 NYCRR Part 518 which regulates the collection of overpayments, your repayment options are described below.

**OPTION #1:** Make full payment by check or money order 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 and be sent with the attached Remittance Advice to:

[REDACTED]  
New York State Department of Health  
Medicaid Financial Management  
GNARESP Corning Tower, Room 2739  
File #11-3427  
Albany, New York 12237-0048

**OPTION #2:** Enter into a repayment agreement with the Office of the Medicaid Inspector General. 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%. If the process of establishing the repayment agreement exceeds 20 days from the date of the final audit report, the OMIG will impose a 50% withhold after 20 days until the agreement is established. OMIG acceptance of the repayment agreement is based on your repaying the Medicaid overpayment as agreed. The OMIG will adjust the rate of recovery, or require payment in full, if your unpaid balance is not being repaid as agreed. In addition, if you receive an adjustment in your favor while you owe funds to the State, such adjustment will be applied against any amount owed. If you wish to enter into a repayment agreement, please contact the Bureau of Collections Management within 20 days at the following:

Bureau of Collections Management  
New York State Office of the Medicaid Inspector General  
800 North Pearl Street  
Albany, New York 12204  
[REDACTED]

You have the right to challenge this action and determination by requesting an administrative hearing within sixty (60) days of the date of this notice. You may not request a hearing to raise issues related to rate setting or rate setting methodology. In addition, you may not raise any issue that was raised or could have been raised at a rate appeal with your rate setting agency. You may only request a hearing to challenge specific audit adjustments which you challenged in a response to the draft audit report.

If you wish to request a hearing, the request must be submitted in writing to:

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

Questions regarding the request for a hearing should be directed to the Office of Counsel, at [REDACTED]

If a hearing is held, you may have a person represent you or you may represent yourself. If you choose to be represented by someone other than an attorney, you must supply a signed authorization permitting that person to represent you along with your hearing request. At the hearing, you may call witnesses and present documentary evidence on your behalf.

Should you have any questions regarding the above, please contact [REDACTED] or through email at [REDACTED]

Sincerely, [REDACTED]

Division of Medicaid Audit  
Office of the Medicaid Inspector General

[REDACTED]  
Attachments:

ATTACHMENT A-1 – Analysis of Provider Response  
ATTACHMENT A-2 - Calculation of Medicaid Overpayment  
ATTACHMENT B - Change in RUG Counts for PRIs submitted on November 22, 2006  
ATTACHMENT C - Detailed Findings by Sample Number  
ATTACHMENT D - Detailed Findings by Disallowance

CERTIFIED MAIL [REDACTED]  
RETURN RECEIPT REQUESTED

**NEW YORK STATE  
OFFICE OF THE MEDICAID INSPECTOR GENERAL  
REMITTANCE ADVICE**

**NAME AND ADDRESS OF AUDITEE**

██████████  
Four Seasons Nursing &  
Rehabilitation Center  
1555 Rockaway Parkway  
Brooklyn, New York 11236

**PROVIDER ID**

██████████  
AUDIT #11-3427

**AMOUNT DUE: \$222,403**

AUDIT  
TYPE

PROVIDER  
 RATE  
 PART B  
 OTHER:

**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 check to:

██████████  
New York State Department of Health  
Medicaid Financial Management  
GNARESP Corning Tower, Room 2739  
File #11-3427  
Albany, New York 12237-0048

5. If the provider number shown above is incorrect, please enter the correct number below.

[ ]

**CORRECT PROVIDER NUMBER**

## FOUR SEASONS NURSING &amp; REHABILITATION CENTER

## AUDIT # 11-3427

All OMIG disallowances were accepted by the Facility except for those shown below. The following details the disposition of final report disallowances after consideration of the Facility's draft audit report response comments.

**REVERSAL COMMENTS**

**Based on information and documentation provided by the Facility, the following disallowances were reversed:**

**Sample #2** – Disallowed #22 Level 3 Toileting - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

**Sample #22** – Disallowed #30 Primary Medical Condition - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

**Sample #31** - Disallowed #21 Level 3 Transfer, #22 Level 3 Toileting, #28 Physician Visits, and #30 Primary Medical Condition - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

**Sample #69** - Disallowed #27 Physical Therapy - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

**Sample #117** - Disallowed #27 Physical Therapy - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

**Sample #179** - Disallowed #28 Physician Visits - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

**Sample #188** - Disallowed #19 Level 3 Eating, #28 Physician Visits, and #30 Primary Medical Condition - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

**Sample #192** – Disallowed #28 Physician Visits - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

**Sample #200** – Disallowed #19 Level 3 Eating and #22 Level 5 Toileting - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

**Sample #202** – Disallowed #19 Level 3 Eating and #28 Physician Visits - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

**Sample #217** – Disallowed #28 Physician Visits - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

**Sample #223** – Disallowed #22 Level 3 Toileting and #28 Physician Visits - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

**Sample #226** – Disallowed #22 Level 3 Toileting and #28 Physician Visits - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

**Sample #227** – Disallowed #28 Physician Visits - Based on information and documentation provided by the Facility, this finding was reversed and is not included in the final report.

### **NON-REVERSED COMMENTS**

**Based on information and documentation provided by the Facility, the following disallowances were not reversed:**

#### **Sample #181** – #28 Physician Visits

**Facility Comment:** The detailed word for word transcriptions for 10/28/2006 and 11/5/2006 were submitted as well as all other corresponding orders along with their transcriptions were included for review.

**OMIG Response:** The October 11, 2006 MD visit was outside the ATP and not counted. The October 13, 2006 MD visit was for physician's monthly assessment. There is no documentation that the resident was medically unstable at the time of the routine visit, or that during this visit the physician cared for a medically unstable condition. The visit is not counted.

The October 28, 2006 MD visit is accepted. The October 30, 2006 MD visit was for physician's monthly assessment. There is no documentation that the resident was medically unstable at the time of the routine visit or that during this visit the physician cared for a medically unstable condition. The visit is not counted.

The November 1, 2006 note is a MD order and contains no documentation that the resident was personally examined. The visit is not counted. The November 5, 2006 MD visit is accepted. A total of 2 MD visits during the PRI collection period accepted.

**Disposition:** The draft report finding is unchanged and will be included in the final report.

#### **Sample #200** – #28 Physician Visits

**Facility Comment:** The facility stated to refer to additional documents for the Interim Order Sheet + Interim Progress Notes dated 10/17/2006, 11/1/2006, and 11/9/2006. Also, to refer additional documents for Genitourinary Follow-up (GU Consult) for BPH dated 11/09/2006.

**OMIG Response:** The above sited documentation for physician visits was not contained in the packet for this sample.

**Disposition:** The draft report finding is unchanged and will be included in the final report.

OFFICE OF THE MEDICAID INSPECTOR GENERAL  
FOUR SEASONS NURSING & REHABILITATION CENTER  
AUDIT #11-3427  
CALCULATION OF MEDICAID OVERPAYMENT

<u>Service</u>	<u>Effective Period</u>	<u>Part B Non-Elig.</u>		<u>Part B-Elig</u>		<u>Difference</u>	<u>Medicaid Days</u>	<u>Medicaid Impact</u>
		<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>			
NF	11/01/06 - 12/31/06	251.76	250.42	250.57	249.23	1.34	16433	\$ 22,020
NF	01/01/07 - 03/31/07	257.77	256.38	256.55	255.16	1.39	16299	22,656
NF	04/01/07 - 06/30/07	256.33	254.94	255.12	253.73	1.39	16024	22,273
NF	07/01/07 - 12/31/07	256.78	255.39	255.57	254.18	1.39	31371	43,606
NF	01/01/08 - 03/31/08	263.26	261.85	262.02	260.61	1.41	15570	21,954
NF	04/01/08 - 06/30/08	256.06	254.66	254.83	253.43	1.40	15429	21,601
NF	07/01/08 - 12/31/08	264.98	263.58	263.75	262.35	1.40	33005	46,207
NF	01/01/09 - 03/31/09	267.32	265.87	266.06	264.61	1.45	15232	22,086
TOTAL MEDICAID OVERPAYMENT								\$ 222,403

**NOTE: Rate Setting Name - Parkshore Renaissance Health Care Centre.**

OFFICE OF THE MEDICAID INSPECTOR GENERAL  
 FOUR SEASONS NURSING & REHABILITATION CENTER  
 CHANGE IN RUG CATEGORIES  
 NOVEMBER , 2006

<u>RUG CATEGORY</u>	CHANGE IN RUG CATEGORY			
	<u>REPORTED</u>	<u>INCREASE</u>	<u>DECREASE</u>	
BA	0			0
BB	0			0
BC	0			0
CA	0	1		1
CB	13			13
CC	45		5	40
CD	2			2
PA	0	1		1
PB	0			0
PC	19	3		22
PD	7	1		8
PE	1	1		2
RA	0			0
RB	122		3	119
SA	2			2
SB	48	1		49
TOTAL	259	8	8	259

## Dementia Patient Per Diem Calculation

CA				0
BA				0
PA				0
PB				0
TOTAL	0	0	0	0

















OFFICE OF THE MEDICAID INSPECTOR GENERAL  
 REVIEW OF PATIENT REVIEW INSTRUMENT  
 FOUR SEASONS NURSING & REHABILITATION CENTER  
 AUDIT #11-3427

Sample#	DOB	Initials	PRIDate	Reported RUG	Derived RUG	Reported Weight	Derived RUG	DETAILED FINDINGS												
								Disallow Physician Visits	Disallow Eating	Disallow Toileting	Disallow Primary Medical Problem	Disallow Transfer	Disallow Oxygen	Disallow OT Level	Disallow PT Level	Disallow Wound Care	Disallow Suctioning	Disallow Stasis/Ulcer		
201			11/14/2006	CC	CC	1.32	1.32	1												
202			11/15/2006	CC	CC	1.32	1.32													
203			11/16/2006	CC	CC	1.32	1.32													
204			11/17/2006	CC	CC	1.32	1.32													
205			11/17/2006	CC	CC	1.32	1.32													
206			11/17/2006	CC	CC	1.32	1.32													
207			11/17/2006	CC	CC	1.32	1.32													
208			11/17/2006	CC	CC	1.32	1.32													
209			11/17/2006	CC	CC	1.32	1.32													
210			11/17/2006	CC	CC	1.32	1.32							1						
211			11/17/2006	CC	CC	1.32	1.32													
212			11/17/2006	CC	CC	1.32	1.32			1										
213			11/18/2006	CC	CC	1.32	1.32													
214			11/20/2006	CC	PC	1.32	1.03							1						
215			11/20/2006	CC	CC	1.32	1.32													
216			11/20/2006	CC	CC	1.32	1.32													
217			11/20/2006	CC	CC	1.32	1.32													
218			11/22/2006	CC	CC	1.32	1.32													
219			11/22/2006	CC	CC	1.32	1.32													
220			11/22/2006	CC	CC	1.32	1.32													
221			11/8/2006	CB	CB	1.18	1.18													
222			11/8/2006	CB	CB	1.18	1.18													
223			11/8/2006	CB	CB	1.18	1.18													
224			11/8/2006	CB	CB	1.18	1.18	1												
225			11/8/2006	CB	CA	1.18	0.7		1	1			1							



OFFICE OF THE MEDICAID INSPECTOR GENERAL  
 REVIEW OF PATIENT REVIEW INSTRUMENT  
 FOUR SEASONS NURSING & REHABILITATION CENTER  
 AUDIT #11-3427

DETAILED FINDINGS

Sample#	DOB	Initials	PRIDate	Reported RUG	Derived RUG	Reported Weight	Derived RUG	Disallow Physician Visits	Disallow Eating	Disallow Toileting	Disallow Primary Medical Problem	Disallow Transfer	Disallow Oxygen	Disallow OT Level	Disallow PT Level	Disallow Wound Care	Disallow Suctioning	Disallow Stasis/Ulcer
251			11/20/2006	PC	PC	1.03	1.03											
252			11/20/2006	PC	PC	1.03	1.03											
253			11/20/2006	PC	PC	1.03	1.03	1										
254			11/20/2006	PC	PC	1.03	1.03	1										
255			11/20/2006	PC	PC	1.03	1.03											
256			11/20/2006	PC	PC	1.03	1.03											
257			11/22/2006	PC	PC	1.03	1.03											
258			11/22/2006	PC	PC	1.03	1.03											
259			11/22/2006	PC	PC	1.03	1.03											
<b>Totals</b>								<u>49</u>	<u>36</u>	<u>9</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>

## FOUR SEASONS NURSING &amp; REHABILITATION CENTER DETAILED FINDINGS

**PRI FINDINGS****Sample Selection****Stasis Ulcer**

The PRI instructions/clarifications define a stasis ulcer as *“open lesion, usually in lower extremities, caused by decreased blood flow from chronic venous insufficiency.”*

*10 NYCRR Section 86-2.30 (II) 17D*

In 1 instance, documentation did not support the definition of stasis ulcer. 106

**Suctioning-General (Daily)**

PRI instructions/clarifications state, *“For medical treatments having a daily frequency requirement, treatments must be provided every day of the four week period.”*

*10 NYCRR Section 86-2.30 (II) 18B*

In 2 instances, documentation did not support the daily frequency requirement for suctioning. 6, 169

**Oxygen-(Daily)**

PRI instructions/clarifications state, *“For medical treatments having a daily frequency requirement, treatments must be provided every day of the four week period.”*

*10 NYCRR Section 86-2.30 (II) 18C*

In 3 instances, documentation did not support the daily frequency requirement for oxygen. 135, 210, 214

**Wound Care**

The PRI instructions/clarifications define a wound as a *“subcutaneous lesion(s) resulting from surgery, trauma, or open cancerous ulcers.”* Additionally, *“decubiti, stasis ulcers, skin tears and feeding tubes are excluded”* from wound care.

*10 NYCRR Section 86-2.30 (II) 18G*

In 2 instances, documentation did not support wound care due to surgery, trauma, or cancerous lesion during the past 28 days. 182, 199

**Eating**

PRI instructions/clarifications state:

*Title 10 NYCRR Section 86-2.30 (III) 19*

**Level 3 eating** continual help *"means that the patient requires a staff person's continual presence and help for reasons such as: patient tends to choke, has a swallowing problem, is learning to feed self, or is quite confused and forgets to eat"*

In 34 instances, documentation did not support continual help with eating. 7, 12, 14, 18, 32, 41, 42, 50, 60, 61, 63, 64, 67, 72, 80, 86, 90, 92, 94, 104, 105, 112, 113, 116, 118, 177, 182, 225, 228, 241, 243, 247, 253, 254

**Level 4 eating** is *"totally fed by hand: patient does not manually participate."*

In 2 instances, documentation did not support that the resident was totally fed by hand. 28, 186

**Transfer**

The PRI instructions/clarifications state:

*Title 10 NYCRR Section 86-2.30 (III) 21*

**Level 3 transfer** continuous assistance; *"requires one person to provide constant guidance, steadiness and/or physical assistance. Patient may participate in transfer."*

In 2 instances, documentation did not support constant guidance or physical assistance in transfer. 225, 233

**Level 4 transfer** *"requires two people to provide constant supervision and/or physically lift. May need lifting equipment." Documentation must support a logical medical reason why the patient required two people to transfer.*

In 1 instance, documentation did not support the resident required two people or lifting equipment to transfer. 32

### Toileting

The PRI instructions/clarifications state:

*Title 10 NYRCC Section 86-2.30 (III) 22*

**Level 3 toileting**-resident is *"continent of bowel and bladder. Requires constant supervision and/or physical assistance with major/all parts of the task, including appliances (i.e. colostomy, ileostomy, urinary catheter)."*

In 1 instance, documentation did not support constant supervision and/or physical assistance with toileting. 225

**Level 4 toileting**-resident is *incontinent 60% or more of the time; does not use a bathroom" The patient may be bed bound or mentally confused to the extent that a scheduled toileting program is not beneficial.*

In 4 instances, documentation did not support incontinence 60% of the time. 32, 42, 90, 113

**Level 5 toileting**-resident is *"incontinent of bowel and/or bladder but is taken to a bathroom every two to four hours during the day and as needed at night."* Additionally, PRI Clarifications state that *"the resident's care plan must establish a toileting assistance program that is based on an assessment of the resident's needs. The assessment should establish the needs of the resident which lead to the development of the program".* To meet Toileting Level 5 there must be a *"care plan established for the resident based on an assessment"*. The toileting schedule must include *"the name or initials of the health care worker performing the toileting assistance and the specific time the toileting assistance was provided must be present in each instance assistance is provided."*

In 4 instances, documentation did not support an individualized toileting schedule, the specific time the resident was toileted, the toileting schedule contained blanks, and/or the toileting schedule contained intervals greater than four hours. 187, 197, 212, 241

## Physical Therapy

PRI instructions/clarifications state:

*Title 10 NYRCC Section 86-2.30 (V) 27A*

In order for therapy to qualify as restorative *"there is positive potential for improved functional status within a short and predictable period of time"...* The qualifier for maintenance therapy is *"to maintain and/or retard deterioration of current functional/ADL status."*

PRI instructions/clarifications also state *"in order for therapy to qualify as restorative, treatment is provided at least five days per week and 2.5 hours per week."*

In 1 instance documentation did not support treatment five days/ 2.5 hours per week. 22

PRI instructions/clarifications state *"in order for therapy to qualify as restorative the resident must continue to show improvement during treatment."*

In 1 instance documentation did not support continued improvement in ADL/functional status through the past 28 days. 7

## Occupational Therapy

PRI instructions/clarifications state:

*Title 10 NYCRR Section 86-2.30 (V) 27A*

In order for therapy to qualify as restorative therapy *"there is positive potential for improved functional status within a short and predictable period of time"...* Qualifier for maintenance therapy is *"to maintain and/or retard deterioration of current functional/ADL status."*

PRI instructions/clarifications also state *"in order for therapy to qualify as restorative, treatment is provided at least five days per week and 2.5 hours per week."*

In 1 instance, documentation did not support treatment five days/ 2.5 hours per week. 37

PRI instructions/clarifications further state *"in order for therapy to qualify as restorative the resident must continue to show improvement during treatment."*

In 1 instance, documentation did not support continued improvement in ADL/functional status through the past 28 days. 106

### **Number of Physician Visits**

PRI instructions/clarifications state that allowable physician visits are those in which *"the patient has a medical condition that (1) is unstable and changing or (2) is stable, but there is high risk of instability."*

*10 NYCRR Section 86-2.30 (V) 28*

In 49 instances, documentation did not support the number of physician visits claimed were for unstable or potentially unstable conditions. 7, 8, 11, 14, 20, 24, 26, 35, 40, 43, 45, 46, 47, 56, 73, 81, 83, 91, 94, 104, 106, 116, 118, 124, 125, 126, 131, 136, 137, 138, 139, 144, 148, 149, 151, 156, 161, 163, 168, 181, 184, 187, 194, 197, 200, 201, 224, 233, 240

### **Primary Medical Problem**

The PRI instructions/clarifications state: *"The primary medical problem should be selected based on the condition that has created the most need for nursing time during the past four weeks."*

*10 NYCRR Section 86-2.30 (j) (VI) 30*

In 4 instances, documentation did not support that the primary medical problem (ICD-9 code) was based on the condition that created the most need for nursing time. 23, 93, 99, 121

### **RUGS-II Classifications Overturned**

In 12 instances, the RUG-II classifications were overturned. 22, 37, 106, 169, 177, 181, 182, 187, 199, 214, 225, 233

*10 NYCRR Section 86-2.11*