



STATE OF NEW YORK  
OFFICE OF THE MEDICAID INSPECTOR GENERAL

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ANDREW M. CUOMO  
GOVERNOR

JAMES C. COX  
MEDICAID INSPECTOR GENERAL

May 24, 2012

[REDACTED]  
Hornell Gardens, LLC  
c/o Rohm Services  
740 East Avenue  
Rochester, New York 14607

RE: FINAL AUDIT REPORT  
Provider #: [REDACTED]  
NPI #: [REDACTED]  
Audit #:11-1053

Dear [REDACTED]:

This is the Office of the Medicaid Inspector General's (the "OMIG") final audit report with regard to the audit of the Medicare Part B offset included in Hornell Gardens, LLC's (the "Facility") Medicaid rates for the rate period January 1, 2004 through December 31, 2008.

The New York State Department of Health (Department) is the single state agency responsible for the administration of the medical assistance (Medicaid) program. The OMIG is an independent office within the Department responsible for a variety of Medicaid program integrity functions. As part of its responsibilities, the OMIG conducts audits and reviews of various providers of Medicaid reimbursable services, equipment and supplies. These audits and reviews are directed at ensuring 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 the Department of Health and the Department of Mental Hygiene (Titles 10, 14 and 18 of the Official Compilation of Codes, Rules and Regulations of the State of New York) and the Department's Medicaid Managed Care Model Contract, Medicaid Management Information System (MMIS) Provider Manuals and *Medicaid Update* publications.

A review of the Medicare Part B offset per diem included in the Facility's Medicaid rates for the rate period January 1, 2004 through December 31, 2008 was recently completed. This review consisted of only the Medicare Part B offset per diem. The purpose of the audit was to ensure that there were no Medicaid overpayments applicable to the Medicare Part B offset used to derive the Facility's promulgated Medicaid Part B eligible rates. The objective of the audit was to determine the accuracy of the Medicare Part B offset based on the Facility's Medicare Part B reimbursement, Part B service costs, and other pertinent Facility Part B information.

The OMIG issued a draft audit report with a proposed Medicaid overpayment of \$78,732 on December 16, 2011. After reviewing the Facility's February 10, 2012 response to the OMIG's draft audit report as well as any other information/documentation submitted, the OMIG has determined that the Facility received the correct Medicare Part B offset for the period and scope reviewed. The OMIG has determined that, for the period and scope reviewed, no further action is required pertaining to this audit.

The Facility 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), if the Facility wishes 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 Office of Counsel, at [REDACTED]

Issues you may raise shall be limited to those issues relating to determinations contained in the final audit report. Further, issues must be limited to those you raised in any written response to the draft audit report. The hearing request may not address issues regarding the methodology used to determine the rate, or any issue that was raised at a proceeding to appeal a rate determination.

The OMIG reserves the right to conduct further reviews of your participation in the Medicaid program, take action where appropriate, and recover any associated overpayments. If you have any questions regarding the above, please contact [REDACTED] at [REDACTED] or by e-mail at [REDACTED]. Thank you for your cooperation.

Sincerely,

[REDACTED]

Director, Audit Resources Management  
Division of Medicaid Audit  
Audit Management and Development  
Office of the Medicaid Inspector General