



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

September 20, 2012

Hedgewood Home For Adults ALP
355 Fishkill Avenue
Beacon, New York 12508-2061

FINAL AUDIT REPORT
Audit #2011Z47-001S
Provider [REDACTED]

Dear Provider:

The New York State Office of the Medicaid Inspector General (the "OMIG") completed an audit of certain Medicaid fee-for-service home care service claims paid for Assisted Living Program (ALP) recipients. In accordance with Section 517.6 of Title 18 of the Official Compilation of Codes, Rules and Regulations of the State of New York (18 NYCRR), this report represents the final determination on issues found during the OMIG's review.

After reviewing your response to the OMIG's November 10, 2011 Draft Audit Report the overpayments were reduced to \$73,769.68. With credit for voided claims totaling \$73,769.68, there is a balance due of \$0.00

Medicaid Claims totaling \$49.11 were voided by BJK, the DME provider. In addition, claims totaling \$73,720.57 were voided by Americare Certified SS Inc., the CHHA nursing provider. Because claims in the amount of \$73,769.68 were voided, there is no balance due to the New York State Department of Health.

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

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

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 along with your hearing request a signed authorization permitting that person to represent you. At the hearing, you may call witnesses and present documentary evidence on your behalf.

Questions concerning this audit may be directed to [REDACTED] at [REDACTED]

Sincerely,

[REDACTED]

Bureau of Business Intelligence
Office of the Medicaid Inspector General

Enclosure

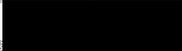
cc: [REDACTED]

CERTIFIED MAIL # [REDACTED]
RETURN RECEIPT REQUESTED

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

NAME AND ADDRESS OF AUDITEE

Hedgewood Home for Adults ALP
355 Fishkill Ave
Beacon, NY 12508-2061

Provider 

AUDIT #2011Z47-001S

AUDIT	<input checked="" type="checkbox"/> PROVIDER
	<input type="checkbox"/> RATE
TYPE	<input type="checkbox"/> PART B
	<input type="checkbox"/> OTHER:

AMOUNT DUE: \$ 0.00

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:


Medicaid Financial Management
New York State Department of Health
GNARESP Corning Tower, Room 2739
File #2011Z47-001S
Albany, New York 12237

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

CORRECT PROVIDER NUMBER

NEW YORK STATE OFFICE OF THE MEDICAID INSPECTOR GENERAL

**ANDREW M. CUOMO
GOVERNOR**

**JAMES C. COX
MEDICAID INSPECTOR GENERAL**

FINAL REPORT

**HEDGEWOOD HOME FOR ADULTS ALP
355 FISHKILL AVENUE
BEACON, NEW YORK 12508-2061**

**ASSISTED LIVING PROGRAM
#2011Z47-001S**



ISSUED SEPTEMBER 20, 2012

BACKGROUND, PURPOSE AND SCOPE

The New York State Department of Health (DOH) is responsible for the administration of the Medicaid program. As an independent office within DOH, the OMIG conducts audits and reviews of 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 State Public Health Law, New York State Social Services Law, regulations of the Departments of Health and Social Services, [Titles 10 and 18 of the Official Compilation of Codes, Rules and Regulations of the State of New York] and the eMedNY Provider Manuals.

The Assisted Living Program (ALP) operates in adult homes and enriched housing programs and provides a combination of residential services and home care services to Medicaid and private pay residents. For each Medicaid enrollee participating in the ALP, a daily rate is paid to the ALP for the provision of nine distinct home care services. No additional fee-for-service billing can be made for these home care services.

This audit identified potential Medicaid overpayments made for home care services provided to Medicaid patients, who on the same date as these home care services were rendered, were participating in the ALP. The services identified are included in the ALP daily Medicaid rate and should not have been billed fee-for-service.

To accomplish this, ALP home care service claims with payment dates from January 1, 2007 through December 31, 2010 were reviewed.

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.

DETAILED FINDINGS

The exhibits are detailed in four categories. All or a combination of the following four exhibits are included in this Final Audit Report.

1. Durable Medical Equipment and Supplies Not Requiring Prior Approval Billed During an ALP Stay

Regulations state: "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)

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

18 NYCRR 504.3(i)

Regulations State: "Payment for assisted living program services. (1) The MA program will pay an assisted living program for services provided to eligible MA recipients who are assisted living program residents at a capitated rate of payment... Such capitated rate of payment is payment in full for the following MA services provided to MA recipients:... (iii) medical supplies and equipment not requiring prior approval pursuant to this title;"

18 NYCRR 505.35 (h)(1)(iii)

The Assisted Living Program Manual states: "Home care services that are covered under the daily Medicaid rate, and for which no additional separate billing can be made, in the Assisted Living Program (ALP) include... Medical supplies and equipment not requiring prior approval;"

*Assisted Living Program Manual
Version 2006-1, Section I*

Exhibit 1 is a list of all claims that contain durable medical equipment and supplies not requiring prior approval billed during an ALP stay. Submitting these claims to Medicaid resulted in an overpayment of \$49.11. Medicaid claims voided by BJK, Inc. totaled \$49.11, and a zero balance is reflected in Exhibit 1.

2. Physical, Speech and/or Occupational Therapy Billed During an ALP Stay

Regulations state: "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)

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

18 NYCRR 504.3(i)

Regulations State: "Payment for assisted living program services. (1) The MA program will pay an assisted living program for services provided to eligible MA recipients who are assisted living program residents at a capitated rate of payment... Such capitated rate of payment is payment in full for the following MA services provided to MA recipients:... (vii) physical therapy, speech therapy, and occupational therapy."

18 NYCRR 505.35 (h)(1)(vii)

The Assisted Living Program Manual states: "Home care services that are covered under the daily Medicaid rate, and for which no additional separate billing can be made, in the Assisted Living Program (ALP) include... Physical therapy; Occupational Therapy; Speech Therapy..."

*Assisted Living Program Manual
Version 2006-1, Section I*

Exhibit 2 is a list of all claims that contain physical, speech and/or occupational therapy billed during an ALP stay. Submitting these claims to Medicaid resulted in an overpayment of \$0.00.

3. Home Health Aide, Personal Care and/or Personal Emergency Response Services Billed During an ALP Stay

Regulations state: "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)

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

18 NYCRR 504.3(i)

Regulations State: "Payment for assisted living program services. (1) The MA program will pay an assisted living program for services provided to eligible MA recipients who are assisted living program residents at a capitated rate of payment... Such capitated rate of payment is payment in full for the following MA services provided to MA recipients:... (ii) home health aide services... (iv) nursing services... (v) personal care services... (vi) personal emergency response services (vii) physical therapy, speech therapy, and occupational therapy."

18 NYCRR 505.35 (h)(1)(ii), (v), (vi)

The Assisted Living Program Manual states: "Home care services that are covered under the daily Medicaid rate, and for which no additional separate billing can be made, in the Assisted Living Program (ALP) include... Title XIX Personal Care Services; Home Health Aide Services; Personal Emergency Response Services (PERS); Nursing Services; Physical Therapy; Occupational Therapy;...."

*Assisted Living Program Manual
Version 2006-1, Section I*

Exhibit 3 is a list of all claims that contain home health aide, personal care and/or personal emergency response services billed during an ALP stay. Submitting these claims to Medicaid resulted in an overpayment of \$73,720.57. Medicaid claims of \$73,720.57 were voided by Americare Certified SS, and a zero balance is reflected in Exhibit 3.

4. ALP Per Diem Billed During Medicaid Recipient Inpatient Hospital Stay

Regulations state: "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)

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

18 NYCRR 504.3(i)

Regulations State: "The MA program will not make payments for assisted living program services provided to an MA recipient while the recipient is receiving... in-patient hospital services."

18 NYCRR 505.35 (h)(7)

Exhibit 4 is a list of all claims made for the ALP per diem rate on the same day as the MA recipient was receiving in-patient hospital services. Submitting these claims to Medicaid resulted in an overpayment of \$0.00.

DETERMINATION

In accordance with 18 NYCRR 518.4, interest may be collected on any overpayments identified in this audit and will accrue at the current rate from the preliminary determination of the overpayment. For the overpayments identified in this audit, the OMIG has determined that accrued interest totals \$0.00.

Based on this determination, the total amount of overpayment, as defined in 18 NYCRR 518.1(c) is \$73,769.68, inclusive of interest.

Medicaid Claims totaling \$49.11 were voided by BJK, the DME provider. In addition, claims totaling \$73,720.57 were voided by Americare Certified SS Inc., the CHHA nursing provider. Because claims in the amount of \$73,769.68 were voided, there is no balance due to the New York State Department of Health.