

## Report in Brief

Date: July 2019

Report No. A-02-17-01005

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**



### Why OIG Did This Review

During a prior review, we determined that New York claimed Medicaid reimbursement for home and community-based services (HCBS) under a Medicaid waiver program that did not comply with Federal requirements.

New York's Nursing Home Transition and Diversion (NHTD) is an HCBS waiver program. Our objective was to determine whether New York claimed Medicaid reimbursement for NHTD waiver program services in accordance with certain Federal and State requirements.

### How OIG Did This Review

Our review covered New York's claims for Medicaid reimbursement for HCBS provided under the NHTD waiver program during calendar years 2014 through 2016 (audit period) for 79,166 beneficiary-months totaling nearly \$215 million (Federal share). We reviewed a stratified random sample of 100 beneficiary-months.

## New York's Claims for Medicaid Nursing Home Transition and Diversion Waiver Program Services Generally Complied With Federal and State Requirements but Had Reimbursement Errors That Resulted in a Minimal Amount of Overpayments

### What OIG Found

During 33 of 100 sampled beneficiary-months, New York improperly claimed Medicaid reimbursement for some NHTD waiver program services. Specifically, during 31 beneficiary-months, service notes for NHTD waiver program services did not support units billed and, during 2 beneficiary-months, services were performed by individuals whose qualifications were not documented. Although one-third of sampled beneficiary months contained an error, we believe the magnitude of the errors and the financial impact are minimal. As a result, New York was generally compliant with the Federal and State requirements. New York officials stated that the claims for unallowable services occurred, in part, because of high staff turnover or inadequate training at the service providers.

On the basis of our sample results, we estimated that New York improperly claimed at least \$466,614 in Federal Medicaid reimbursement for services that did not comply with certain Federal and State requirements.

Additionally, we found instances in which New York's *NHTD Waiver Program Manual*, made available to providers on its website, did not reflect current requirements.

### What OIG Recommends and New York's Comments

We recommend that New York 1) refund \$466,614 to the Federal Government, 2) update its NHTD Waiver Program Manual to reflect current waiver requirements, and 3) ensure providers properly train personnel to appropriately claim Medicaid reimbursement for NHTD waiver program services.

In written comments on our draft report, the State agency did not indicate concurrence or non-concurrence with our first recommendation, generally agreed with our second and third recommendations, and described corrective actions it had taken or planned to take to address the recommendations. Regarding our recommended financial disallowance, New York stated that it is performing audits in the NHTD waiver program area. New York also stated that it plans to update its *NHTD Waiver Program Manual* in 2019. Additionally, New York will conduct an audit of all relevant program resources posted on its websites and remove outdated information.