



**Department
of Health**

ANDREW M. CUOMO
Governor

HOWARD A. ZUCKER, M.D., J.D.
Commissioner

SALLY DRESLIN, M.S., R.N.
Executive Deputy Commissioner

July 5, 2019

Mr. Kenneth Shulman
Assistant Comptroller
New York State Office of the State Comptroller
110 State Street, 10th Floor
Albany, New York 12236

Dear Mr. Shulman:

Pursuant to the provisions of Section 170 of New York State Executive Law, I hereby transmit to you a copy of the New York State Department of Health's comments related to the Office of the State Comptroller's final audit report 2017-S-85 entitled, "Improper Medicaid Payments for Recipients Diagnosed With Severe Malnutrition."

Please feel free to contact Estibaliz Alonso, Assistant Commissioner, Office of Governmental and External Affairs, at (518) 473-1124 with any questions.

Sincerely,

Sally Dreslin, M.S., R.N.
Executive Deputy Commissioner

Enclosure

cc: Estibaliz Alonso

Department of Health
Comments on the Office of the State Comptroller's
Final Audit Report 2017-S-85 entitled, "Improper Medicaid Payments
for Recipients Diagnosed With Severe Malnutrition"

The following are the Department of Health's (Department) comments in response to the Office of the State Comptroller's (OSC) Final Audit Report 2017-S-85 entitled, "Improper Medicaid Payments for Recipients Diagnosed With Severe Malnutrition."

Recommendation #1

Review the remaining \$411,699 (\$416,237 - \$4,538) in overpayments and make recoveries, as appropriate.

Response #1

The Office of the Medicaid Inspector General will review the identified overpayments and pursue recovery of any payment determined to be inappropriate.

Recommendation #2:

Formally remind all hospitals to:

- Ensure clinical assessments for severe malnutrition meet existing standards of professional practice;
- Only bill for severe malnutrition that meets accurate clinical assessments and Medicaid billing rules; and
- Properly document severe malnutrition in a patient's medical record.

Response #2

The Department published a Medicaid Update in May 2019 reminding all hospitals of their obligation to:

- Ensure clinical assessments for severe malnutrition meet existing standards of professional practice;
- Only bill for severe malnutrition that meets accurate clinical assessments and Medicaid billing rules; and
- Properly document severe malnutrition in a patient's medical record.