



Department
of Health

ANDREW M. CUOMO
Governor

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

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

August 29, 2019

Ms. Andrea Inman, Audit Director
Office of the State Comptroller
Division of State Government Accountability
110 State Street – 11th Floor
Albany, New York 12236-0001

Dear Ms. Inman:

Enclosed are the Department of Health's comments on the Office of the State Comptroller's Follow-Up Audit Report **2019-F-10** entitled, "**Inappropriate Payments Related to Procedure Modifiers.**" (2016-S-63)

Thank you for the opportunity to comment.

Sincerely,

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

Enclosure

cc: Marybeth Hefner
Diane Christensen
Jeffrey Hammond
Jill Montag
Elizabeth Misa
Geza Hrazdina
Dan Duffy
Jessica Lynch
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OHIP Audit

**Department of Health Comments on the
Office of the State Comptroller's
Follow-Up Audit Report 2019-F-10 entitled,
"Inappropriate Payments Related to Procedure Modifiers"
(Report 2016-S-63)**

The following are the Department of Health's (Department) comments in response to the Office of the State Comptroller's (OSC) Follow-Up Audit Report 2019-F-10 entitled, "Inappropriate Payments Related to Procedure Modifiers."

Recommendation #1:

Review the \$2.6 million in inappropriate payments made to providers for E/M services and recover overpayments, as appropriate.

Status - Not Implemented

Agency Action – The Office of the Medicaid Inspector General (OMIG) investigates and recovers improper Medicaid payments on behalf of the Department. As of July 10, 2019, OMIG had not made any recoveries based on a review of our audit findings. According to OMIG officials, they are finalizing their audit process and still plan to pursue these recoveries.

Response #1:

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

Recommendation #2:

Formally advise providers that received inappropriate payments to report accurate claim information when billing Medicaid for E/M services during global surgery periods to ensure claims are paid appropriately.

Status – Implemented

Agency Action – In the January 2018 edition of the *Medicaid Update* (the Department's official publication for Medicaid providers), the Department issued billing guidance and instructed all Medicaid providers how to properly bill Medicaid for E/M services during global surgery periods.

Response #2:

The Department confirms agreement with this report.