



## Department of Health

KATHY HOCHUL  
Governor

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

KRISTIN M. PROUD  
Acting Executive Deputy Commissioner

September 22, 2021

Ms. Andrea Inman, Audit Director  
Office of the State Comptroller  
Division of State Government Accountability  
110 State Street – 11<sup>th</sup> Floor  
Albany, NY 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, 2020-F-22 entitled, "Department of Health- Improper Managed Care Premium Payments for Recipients With Duplicate Client Identification Numbers" (Follow-Up to Report 2018-S-24).

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read "Theresa Egan", with a long, sweeping horizontal line extending to the right.

Theresa Egan  
Deputy Commissioner for Administration

Enclosure

cc: Diane Christensen  
Abigail Barker  
Jill Montag  
Frank Walsh  
Theresa Egan  
Brett Friedman  
Amir Bassiri  
Geza Hrazdina  
Daniel Duffy  
Erin Ives  
Amber Rohan  
Brian Kiernan  
Timothy Brown  
Collin Gulczynski  
Robert Schmidt  
Thomas McCann

OHIP Audit

**Department of Health Comments on the  
Office of the State Comptroller's  
Follow-Up Audit Report 2020-F-22 entitled,  
"Improper Managed Care Payments for Recipients With Duplicate  
Client Identification Numbers" (Report 2018-S-24)**

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The following are the responses from New York State Department of Health (Department) to Follow-Up Audit Report 2020-F-22 entitled, "Improper Managed Care Payments for Recipients With Duplicate Client Identification Numbers (CINs) (Report 2018-S-24)" by the Office of the State Comptroller (OSC).

**Recommendation #1:**

Review the \$102.1 million in improper premium payments we identified and make recoveries, as appropriate.

Status – Partially Implemented

Agency Action – OMIG investigates and recovers improper Medicaid payments on behalf of the Department. As of September 18, 2020, OMIG had recovered about \$50.8 million in overpayments, leaving \$51.3 million to be reviewed and recovered as appropriate. At the conclusion of our follow-up review, OMIG stated it plans to continue pursuing recovery of any payment determined to be inappropriate. We note that OMIG may have already lost the opportunity to recover over \$6.4 million in overpaid premium payments we identified for calendar year 2014 due to federal look-back provisions. We encourage the Department and OMIG to take prompt action on the remaining improper payments to prevent further loss of recoveries.

**Response #1:**

The Office of the Medicaid Inspector General (OMIG) has recovered more than \$81 million of the OSC-identified payments. OMIG is continuing to perform data analysis on the OSC-identified overpayments not already adjusted or recovered to ensure the data used by OSC is complete and to confirm the accuracy of the claims detail for use in OMIG audit activities. Pursuant to State regulations, any identified overpayments OMIG pursues for recovery are subject to the provider's right to due process.

OMIG continues to conduct ongoing, second-level reviews, after the Local Departments of Social Services, New York State of Health (NYSOH), and the New York City Human Resources Administration (HRA) perform their processes to identify and resolve multiple CINs.

**Recommendation #2:**

Take steps to ensure the Division of Eligibility and Marketplace Integration (DEMI) unit and Local Districts resolve the remaining duplicate CIN pairs identified in this audit.

Status – Implemented

Agency Action – Over 99% of the 65,961 duplicate CIN pairs identified in the initial audit had been resolved at the time of our follow-up review. We encourage the Department to promptly resolve the remaining 317 duplicate CIN pairs with active eligibility.

**Response #2:**

The Department confirms agreement with this recommendation.

**Recommendation #3:**

Take steps to ensure Local Districts make timely and accurate updates to demographic information on all Medicaid cases (at the time when caseworkers receive such information) to allow proper CIN assignment for new applications and efficient reconciliation of existing duplicates.

Status – Implemented

Agency Action – The initial audit found that outdated and insufficient demographic information made it difficult for Local Districts to identify existing CINs of enrollees and, therefore, increased the likelihood a duplicate CIN would be created. Since then, the Department has implemented an internal quality improvement process to monitor the timeliness, accuracy, and efficiency of CIN correction and consolidation by Local Districts.

The Department also issued a General Information System message in November 2020 to remind Local Districts of the Welfare Management System (WMS) CIN correction and consolidation procedures, provide guidance on the correction process for duplicate CINs, and introduce a new quarterly report. The Department will use the report to monitor and document the corrective actions Local Districts take on duplicate CINs and to assist with a new centralized oversight function within the Department for the detection and resolution of duplicate CINs.

**Response #3:**

The Department confirms agreement with this recommendation.

**Recommendation #4:**

Implement enhanced NYSOH functionality by the expected time frame of the fourth quarter of 2019 to prevent the creation of future inappropriate duplicate CINs.

Status – Implemented

Agency Action – The initial audit found weaknesses in the NYSOH CIN clearance process (an automated process in which NYSOH checks if an applicant already has a CIN), but that the Department had started work on enhanced functionality of NYSOH's CIN clearance process to better identify consumers who already had coverage. The Department implemented the enhanced NYSOH functionality through implementation of three of four change requests.

- Change Request 1 modified the CIN clearance process to reduce the instances of duplicate CINs being created by adjusting the NYSOH CIN rating process.

- Change Request 2 reduced the instances of duplicate CINs being created by allowing NYSOH Back Office staff more access to view the data and manage the assignment of CINs.
- Change Request 3 designed a solution where the NYSOH system tracks changes/updates to a member's demographic information and allows Back Office users to view these changes/updates.
- Change Request 4 provides Back Office functionality to support the generation, assignment, and status changes of CINs and other identifiers, which include corrections and/or overrides. This change request was in the testing phase at the time of our follow-up review.

Consequently, there has been a reduction in the number of duplicate CINs created within NYSOH.

#### **Response #4:**

The Department confirms agreement with this recommendation.

#### **Recommendation #5:**

Establish a central oversight entity responsible for all duplicate CIN detection and resolution, and evaluate the feasibility of building a central tracking database of potential duplicate CINs that shows the status of each case and can be shared among all the stakeholders in the duplicate CIN research and resolution process.

Status – Implemented

Agency Action – The initial audit found DEMI only reviewed potential duplicate CINs when at least one CIN was created by NYSOH, and not those that only involved non-NYSOH created duplicate CINs. However, DEMI is now responsible for coordinating the resolution of all duplicate CINs. DEMI's comprehensive and detailed work procedures include working with various stakeholders including NYSOH, eMedNY, and Local Districts to resolve duplicate CINs.

In addition, in July 2019, DEMI developed a new database to identify and monitor duplicate CINs active on WMS upstate and WMS downstate in order to increase central oversight. The database was created as a vessel to hold reports pulled monthly from eMedNY as well as the various telephone call and email reporting of duplicate CINs. Stakeholder Relations and Exchange Support (SRES), a work unit within DEMI, will use the new database to generate reports/templates and track the efficiency of duplicate CIN resolution and consolidation activity for all Medicaid enrollees.

#### **Response #5:**

The Department confirms agreement with this recommendation.

#### **Recommendation #6:**

Ensure that the DEMI unit takes steps to improve the efficiency and timeliness of duplicate CIN

research and resolution, including, but not limited to, expanding the prioritization methodology to include active eligibility status of the potential duplicate CINs and the cost of associated managed care premium payments, and establishing a benchmark for the time it takes to resolve duplicate CINs.

Status – Partially Implemented

Agency Action – DEMI established work procedures/manuals to improve the efficiency and timeliness of duplicate CIN research and resolution, such as prioritizing duplicate CINs with active coverage, and established a goal to coordinate the termination of duplicate Medicaid coverage due to duplicate CIN assignment within one month of the identified error. DEMI stated that SRES does not prioritize duplicate CIN research efforts based on the cost of associated managed care premiums. According to Department officials, duplicate CIN resolution based on costs could not be done without first manually researching all CIN pairs to determine the CINs with the highest costs and then assigning them for resolution. However, we strongly encourage the Department to reconsider the plausibility of developing an efficient method to include the costs of the associated managed care premium payments when prioritizing duplicate CIN research and resolution.

#### **Response #6:**

As OSC states in the report, the Department has established work procedures which have improved the efficiency and timeliness of duplicate CIN research and resolution. The Department prioritizes the resolution of duplicate CINs with active coverage first and all CINs with duplicate coverage are resolved within one month of being identified. As of August 20, 2021, staff have completed the review of all monthly duplicate CIN reports through July 2021 and are currently reviewing the August 2021 report.

The Department's current process of prioritizing the resolution of duplicate CIN pairs by those with active coverage has proven itself to be a successful method in efficiently resolving duplicate coverage. Additionally, in October 2021, the Department is expanding its data analysis and query functionality to identify the cost of the Medicaid managed care premiums (MMCPs) associated with each reported duplicate CIN. CINs associated with higher MMCPs will be ranked and assigned to staff for manual research and correction in cost order, from highest to lowest.

#### **Recommendation #7:**

Evaluate the feasibility of updating the logic used by eMedNY's duplicate CIN reports to include additional criteria for identifying and properly scoring potential duplicate CIN matches.

Status – Implemented

Agency Action – The initial audit found that the eMedNY program logic used by eMedNY's duplicate CIN reports was outdated and did not identify all potential duplicates. In response to the initial audit, the Department evaluated the feasibility of updating the logic. As a result, on July 23, 2020, the Department implemented a change request to transfer Social Security number validation results from NYSOH to eMedNY to enable the Department to better identify and properly score potential duplicate CINs.

**Response #7:**

The Department confirms agreement with this recommendation.

**Recommendation #8:**

Monitor all MCOs' compliance with the requirement to identify and report duplicate CINs to the Department and Local Districts. Ensure non-compliant MCOs (including the MCO we identified) promptly take corrective steps to perform the reviews quarterly and report duplicate CINs within 30 days of identification.

Status – Implemented

Agency Action – The initial audit reviewed four of the larger MCOs and found that each MCO had its own unique process, and all but one continuously reviewed their enrollees to identify duplicate CINs. One MCO only checked for duplicate CINs during the enrollment process, contrary to the requirements of the Medicaid Managed Care Model Contract.

On September 17, 2018, after the scope of the initial audit, the Department's Office of Health Insurance Programs and OMIG sent the MCOs a report template and a letter with instructions for the MCOs to use the template to report duplicate CINs on a quarterly basis. The Department tracks these quarterly duplicate CIN report submissions. MCOs that fail to submit the report are contacted by Department staff and reminded of the requirement to submit the reports on a quarterly basis and the dates the reports are due. As of May 2019, all MCOs were submitting the quarterly reports, including the noncompliant MCO identified in the initial audit.

**Response #8:**

The Department confirms agreement with this recommendation.

**Recommendation #9:**

Monitor duplicate CIN resolutions among the Human Resources Administration (HRA) and the New York City Administration for Children's Services (ACS) subsequent to the new data-sharing agreement, and take further corrective actions, if necessary.

Status – Implemented

Agency Action – In August 2018, ACS and HRA established a data-sharing agreement to allow the two agencies to periodically share information about recipients with duplicate CINs who might have more than one active Medicaid enrollment at a time. Subsequent to the data-sharing agreement, the Department monitors the efforts between HRA and ACS to resolve and reduce duplicate CINs for children in receipt of welfare services.

**Response #9:**

The Department confirms agreement with this recommendation.

**Recommendation #10:**

Evaluate the feasibility of creating a control to prevent confirmed duplicate CINs from being reused in the future.

Status – Implemented

Agency Action – The Department evaluated the feasibility of creating a control to prevent confirmed duplicate CINs from being reused. The Department initiated a change request to create a retired CIN table to prevent existing CINs from being used again. This project was in the process of being implemented but was delayed due to the COVID-19 pandemic. The Department still plans to implement this change request when possible. We encourage the Department to expedite the execution of this change request.

**Response #10:**

The Department confirms agreement with this recommendation.