



Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, MD, MPH
Commissioner

JOHANNE E. MORNE, MS
Executive Deputy Commissioner

April 15, 2026

Christopher Morris, Audit Director
Office of the State Comptroller
Division of State Government Accountability
110 State Street – 11th Floor
Albany, NY 12236-0001

Dear Christopher Morris:

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 2023-S-20 entitled, "Medicaid Program: Oversight of Managed Care Provider Networks."

Please feel free to contact the Office of Governmental and External Affairs at (518) 473-1124 with any questions.

Sincerely,

A handwritten signature in cursive script that reads "Johanne E. Morne".

Johanne E. Morne, M.S.
Executive Deputy Commissioner

Enclosures

cc: Melissa Fiore
DOH Audit

**Department of Health Comments on the
Office of the State Comptroller's
Final Audit Report 2023-S-20 entitled,
"Medicaid Program: Oversight of Managed Care Provider Networks"**

The following are the Department of Health's (Department) comments in response to the Office of the State Comptroller's (OSC) Final Audit Report 2023-S-20 entitled, "*Medicaid Program: Oversight of Managed Care Provider Networks*." Included in the Department's response is the Office of the Medicaid Inspector General's (OMIG) replies to applicable recommendations. OMIG conducts and coordinates the investigation, detection, audit, and review of Medicaid providers and recipients to ensure they are complying with laws and regulations.

Below are definitions of the acronyms used in this audit response:

- MCO = Managed Care Organization
- OMH = New York State Office of Mental Health
- SOA = Statement of Agreement

Audit Recommendation Responses:

Recommendation #1

Improve monitoring and controls over the provider network adequacy process to ensure network deficiencies are reported timely and accurately, including issuing guidance detailing MCO responsibilities within the deficiency review process.

Response #1

The Department has started to make improvements to monitoring and control of the provider network adequacy process to ensure quarterly network deficiency reports are being completed by MCOs and reviewed by Department staff in a timely manner. The Department will continue to track completion and follow up with MCOs not completing the review process by required due dates.

Recommendation #2

Develop a complete and accurate list of specialties that are excluded from the quarterly network adequacy process, including collaborating with OMH, to ensure all services are appropriately reviewed for network adequacy.

Response #2

In 2024, the Department started working with OMH to confirm the list of excluded services. The Department will continue to work with other partners to ensure services are updated. This will better ensure there is a complete and accurate list.

Recommendation #3

Evaluate the provider network deficiencies identified in SOAs and take steps to improve MCO provider networks.

Response #3

The Department is committed to using the tools and resources available to us to ensure that we are enforcing the network adequacy standards for all Managed Care Organizations in New York State. The Department is exploring options and best practices as to how to proceed.