

Report in Brief

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



Why OIG Did This Audit

A prior OIG audit found that New York made more than \$7 million in unallowable Federal Medicaid payments to different managed care organizations (MCOs) for the same month for beneficiaries assigned more than one Medicaid identification (ID) number. A recent analysis of Medicaid data showed that New York continued to make these improper payments despite the improvements it made to its processes for identifying beneficiaries with multiple Medicaid ID numbers.

Our objective was to determine whether New York claimed Federal Medicaid reimbursement for managed care payments made to different MCOs on behalf of beneficiaries who were assigned multiple Medicaid ID numbers.

How OIG Did This Audit

Our audit covered Medicaid managed care payments totaling \$25.8 million (Federal share) for 11,098 beneficiary-matches that New York made to different MCOs for calendar years 2014 through 2017. We reviewed a stratified random sample of 103 of these beneficiary-matches. For purposes of this audit, we defined a beneficiary-match to be when (1) more than one Medicaid ID number was associated with the same Social Security number (SSN) or (2) no SSN was provided but select personal information (i.e., first four characters of the first name, entire last name, date of birth, and sex) was identical for more than one Medicaid ID number.

New York Made Unallowable Payments Totaling More Than \$10 Million for Managed Care Beneficiaries Assigned Multiple Medicaid Identification Numbers

What OIG Found

New York improperly claimed Federal Medicaid reimbursement for Medicaid beneficiaries who were assigned more than one Medicaid ID number. Specifically, for 102 of the 103 beneficiary-matches in our sample, New York made managed care payments to different MCOs for the same beneficiary for the same month under different Medicaid ID numbers.

The assignment of multiple Medicaid ID numbers and resulting improper payments occurred because (1) New York's procedures for identifying whether a Medicaid applicant had already been assigned a Medicaid ID number were not always followed, (2) system queries were not adequate to ensure that all individuals with existing Medicaid ID numbers were identified, and (3) staff did not use all available resources to ensure that qualified applicants were not issued multiple Medicaid ID numbers.

On the basis of our sample results, we estimated that New York improperly claimed \$11.5 million in Federal Medicaid reimbursement for managed care payments made to different MCOs on behalf of beneficiaries assigned more than one Medicaid ID number. We reduced this estimate to \$11.3 million because New York recovered some managed care payments made on behalf of beneficiaries covered in our review after the start of our audit.

What OIG Recommends and New York's Comments

We recommend that New York (1) refund \$11.3 million to the Federal Government; (2) identify and recover improper managed care payments made to different MCOs on behalf of beneficiaries with multiple Medicaid ID numbers prior to and after our audit period, and repay the Federal share of the amounts recovered; and (3) strengthen its procedures for determining whether an individual applying for Medicaid already has a Medicaid ID number.

In written comments on our draft report, New York did not specifically indicate concurrence or nonconcurrence with our recommendations. New York generally agreed with our finding; however, it stated that one unallowable beneficiary-match identified in our draft report was not a duplicate because the associated Medicaid ID numbers were assigned to different beneficiaries. New York also described steps it has taken or planned to take to improve the identification of beneficiaries assigned multiple Medicaid ID numbers. After reviewing New York's comments, we maintain that our finding and recommendations are valid. Regarding the one beneficiary-match that New York asserted was not a duplicate, we maintain that the Medicaid ID numbers were associated with one individual who used two names and one SSN.