NYSADSA

New York State Adult Day Services Association Inc.

SADC Compliance: NYS Certification, Compliance Programs, and Medicaid Integrity & Quality

For Social Adult Day Programs contracted with MLTC Plans and Medicaid under NHTD and TBI waivers

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NYSADSA

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Slide 1: Introduction

Welcome & Overview

Importance of Compliance in Social Adult Day Care (SADC)

What is OMIG?

Mission: Ensure integrity in NYS Medicaid

Functions: Audits, investigations, provider oversight

Relevance to SADC providers contracting with MLTC plans:

NYS SADC Certification, Compliance Program Resources , Exclusions

NYS SADC Certification Process, Found on OMIG Website

https://apps.omig.ny.gov/sadc/sadccertification.aspx

- Required for all SADCs contracting with MLTCs
- Mandated by MLTC Policy 15.01(a)
- Annual electronic certification through OMIG portal
- Site-specific: Each location must certify separately

NYS SADC Certification

- SADC Certification must be completed for each SADC annually.
- Certification may be completed by going to the following link on the OMIG website: https//www.omig.ny.gov/sadc-certification
- For SADC entities that are new and/or are not yet contracting with a MLTC plan, Certification may be completed at any time.
- Certification is required to be completed on annual basis, twelve (12) months after prior Certification. (Any changes to your program should be submitted with a new certification)
- Prior policy and guidance documents remain in effect and we strongly encourage you to review them. They may be found at: http://www.health.ny.gov/health_care/medicaid/redesign/mrt90/mltc_policies.htm
- Should you have any questions regarding this policy please send an email to the following address: SADCCertification@omig.ny.gov.

NYS Certification Requirements

- Information required: FEIN, ownership, contracts, compliance attestations
- Annual renewal required
- Confirmation page must be shared with MLTC plan
- Resources: SADCCertification@omig.ny.gov
- https://www.omig.ny.gov/sadc-certification

Alignment with 9 NYCRR §6654.20

- Core service standards: socialization, personal care, nutrition, supervision
- Administrative standards: participant eligibility, staffing, service planning
- NYSOFA and DOH oversight integration

Helpful links:

1. Title 9 - Title 9 NYCRR - 6654.20 Social adult day care programs
2. MLTC Contract - Managed Care Model Contracts
3. DOH Policy Documents (MRT # 90 PAGE) - MRT 90: Mandatory Enrollment Managed Long Term Care
4. NYS Office for the Aging - Annual Self-Monitoring Process to be Completed Prior to Certification - NYS Office for the Aging
5. DOH Frequently Asked Questions about the SADC Certification process

NYS Office for the Aging - Annual Self-Monitoring Process to be Completed **Prior** to Certification

The instructions for the self-monitoring tool state that this form has to be submitted annually. Is this form required to be submitted to DOH, OMIG or NYSOFA?	**The self-monitoring form does not need to be submitted to any of these agencies. It should be maintained on file by the SADC.**
There is a statement that the annual self-monitoring form must be completed prior to applying for certification. Is this correct?	**Yes.**
What if a SADC is in operation for less than a year and therefore could not yet perform an annual self-evaluation? In this instance how should question #12 be answered?	**Self-evaluations can be performed at any time.**

NYS Certification Attestation Questions

- Valid Certificate of Occupancy for SADC facility? Yes / No / Not required by municipality
- Meets Fire Safety Codes? Yes / No
- Meets relevant DOH Codes? Yes / No

Do I need a Certificate of Occupancy?

Due to the fact that local municipal codes vary, specific questions regarding certificates of occupancy (COs) and whether one is needed for your facility should be directed to your local government building department.
If you have a current, valid CO, answer "Yes" to the CO question, no further action is needed.

If a CO is not required by your municipality, please answer by checking the box "CO not required by municipality".

If you are unsure if you are required to have a CO, or if you are unsure if your facility/building has a CO, please answer "No". A "no" answer in this field will not preclude you from completing the certification process, but the State may request additional follow-up information.

NYS Certification Attestation Questions

- Policies implemented per 9 NYCRR §6654.20(d)(2)(i)(a-i)? Yes / No
- Participant files document: assessment, timely service plan, caregiver input? Yes / No

NYS Certification Attestation Questions (cont'd)

- 6. Adheres to nutrition standards under 9 NYCRR 6654.20(d)(1)(iv)(a)(4)? Yes / No
  - Staff health: pre-employment and annual assessments; biannual PPD tests? Yes / No
  - Staff training: emergency safety, orientation, RN personal care skills, CPR/AED? Yes / No
  - Demonstrated ability to perform MLTC-contracted services? Yes / No
  - Fire drills conducted twice/year? Yes / No / Not yet in operation
  - Full compliance with Title 9 NYCRR §6654.20? Yes / No
  - Annual self-evaluation with administrative, program, and fiscal review? Yes / No

SADC Change of Ownership Disclosure

- For MLTC contracted Provider please check contract notification requirements .
- Complete and submit New York State Certification form with updated ownership information within the required timeframe .

SADC Change of Ownership Disclosure

- Enrolled providers are required to inform the NYS Department of Health (DOH) within 15 days of any change in direct or indirect ownership or control interest in the enrolled provider. Failure to inform the NYS DOH may result in termination of enrollment. For purposes of NYS Medicaid regulations, an ownership or control interest means a person or corporation that:

• has an ownership interest totaling five percent or more in a disclosing entity;

• has an indirect ownership interest equal to five percent or more in a disclosing entity;

• has a combination of direct and indirect ownership interests equal to five percent or more in a

disclosing entity;

• owns an interest of five percent or more in any mortgage, deed of trust, note, or other obligation

secured by the disclosing entity if that interest equals at least five percent of the value of the property

or assets of the disclosing entity;

• is an officer or director of a disclosing entity that is organized as a corporation; or

• is a partner in a disclosing entity that is organized as a partnership.

Compliance Programs

WHO MUST HAVE A COMPLIANCE PROGRAM?

1. Are you an enrolled New York State Medicaid program provider?
2. Does your organization claim —and/or can be reasonably expected to claim— Medicaid services or supplies of at least $1,000,000 in any consecutive 12-month period?
3. Does your organization receive Medicaid payments—and/or can be reasonably expected to receive payments—either directly or indirectly, of at least $1,000,000 in any consecutive 12-month period? Indirect Medicaid reimbursement is any payment that you receive for the delivery of Medicaid care, services, or supplies that comes from a source other than the State of New York. For example, if you provide covered services to a Medicaid beneficiary who is enrolled in a Medicaid Managed Care Plan, the payment you receive from the Managed Care Organization is considered an indirect payment.
4. Resources: https://omig.ny.gov/compliance/compliance

Implications for Waiver/SDP Providers

- Must meet all compliance program requirements if billing Medicaid directly
- See ETN Statement
- Additional documentation and training obligations

Compliance Programs

Fraud, Waste, and Abuse Prevention:

- Designed to identify and prevent misconduct within the Medicaid program.

Efficient Issue Response:

- Organizes provider resources for rapid detection and resolution of compliance concerns.

Systemic Safeguards:

- Establishes checks and balances to minimize the risk of future violations.

Effective Compliance Program

Written Policies and Procedures
Policies must cover Medicaid billing, fraud prevention, employee conduct, and conflict of interest.

Designation of a Compliance Officer
An individual responsible for day-to-day compliance operations. For larger SADCs, this includes forming a **compliance committee**.

Training and Education
Annual and onboarding training for all employees, contractors, and board members on compliance, FWA (fraud, waste, and abuse), and reporting obligations.

Effective Communication
A system for employees to report potential compliance issues anonymously and without retaliation (e.g., a hotline or compliance mailbox).

Internal Monitoring and Auditing
Regular audits of claims, attendance logs, and documentation, with corrective action for deficiencies.

Disciplinary Guidelines
Clear consequences for violations of compliance policies.

Responding to Compliance Issues
Investigate all allegations, take corrective action, and self-disclose overpayments or violations to OMIG if necessary.

Non-Retaliation and Whistleblower Protections
Policies must ensure protections for staff who report concerns in good faith.

Training & Education

- **Annual Topics**
  - Fraud, Waste, and Abuse (FWA) Prevention
  - Compliance Program Overview
- **Who Must Be Trained?**
  - All employees, including part-time, per diem, and administrative staff.
  - Contractors and vendors involved in Medicaid services.
- **Documentation:**
  - Maintain sign-in sheets, certificates of completion, and a training log for audits.
- **Additional Best Practices:**
  - Provide refreshers mid-year.
  - Customize sessions for different job roles.
- **Takeaway:** Training isn’t optional—it’s a key compliance requirement.

OMIG Compliance Exclusion Checks

- Federal and State Medicaid programs prohibit payments to excluded individuals/entities
- Providers must regularly check all employee, contractor, (such as transportation) and vendor status against:
  - OMIG Exclusions List
  - Office of Inspector General (OIG) List of Excluded Individuals/Entities (LEIE)
- Checks should be conducted prior to hire and monthly thereafter
- Document findings and maintain records for audit readiness
- Use OMIG's online search tool: omig.ny.gov

MEDICAID EXCLUSIONS
https://omig.ny.gov/medicaid-fraud/medicaid-exclusions

Medicaid seeks to ensure that the medical providers participating in the program are professional, ethical, and provide recipients with quality healthcare services. When it is determined that a provider should no longer be eligible to participate in the program due to their unethical behavior, the individual or the entity is placed on a list of excluded providers.

To access this list, click on the links below. View explanation and disclaimers regarding the NYS Medicaid Exclusion List.

- Providers with questions about exclusions should call the New York State Office of the Medicaid Inspector General (OMIG) at 518-402-1816.

Benefits of an Effective Compliance Program

Risk Mitigation:

- Demonstrates a sincere effort to comply with regulatory requirements.
- Can reduce liabilities related to unlawful or improper conduct.

Program Improvement:

- Enhances overall effectiveness and operational efficiency.
- Supports a strong performance track record.

Early Detection Advantages:

- Allows for timely identification and reporting of issues.
- Minimizes losses to Medicaid from false claims.

Reduced Legal and Financial Exposure:

- Can help avoid or lessen:
    - Civil damages and financial penalties
    - Criminal sanctions
    - Administrative remedies like exclusion from Medicaid programs
    - Negative reputational impacts
    - Potential litigation

Best Practices for All SADC Providers

When billing Medicaid funds directly or indirectly compliance is a best practice

Use the OMIG Compliance Program Tools

Maintain records for at least 6 years

The Role of Staff in Compliance

- **Your Responsibilities:**
  - Follow all documentation and attendance protocols.
  - Report suspicious activity without fear of retaliation.
  - Stay informed through annual training and refreshers.
- **How to Report:**
  - Use internal reporting channels (Compliance Officer, forms, hotline).
  - **Website:** https://omig.ny.gov/fraud/report-fraud
  - **Phone Number: 1-877-87-FRAUD (1-877-873-7283)**
  - Reports can be anonymous.
- **Staff Awareness Can Prevent Serious Issues**
  - Many fraud cases are uncovered due to tips from front-line staff.
- **Key Phrase to Remember:** *"If you see something, say something."*

Self Disclosure

When Should a Provider Self-Disclose?

You should consider **self-disclosure** when your internal audit, investigation, or staff report identifies:

- Overpayments (e.g., billing errors, duplicate payments)
- Improper billing or coding practices
- Services billed but not rendered
- Kickbacks, conflicts of interest, or referrals-for-gain
- Systemic or material non-compliance with Medicaid regulation

- You have 60 days of identification to disclose overpayments

Disclosing to OMIG

- OMIG has a **Self-Disclosure Program**: https://omig.ny.gov/compliance/self-disclosure
- Complete and submit the **Self-Disclosure Statement** form.

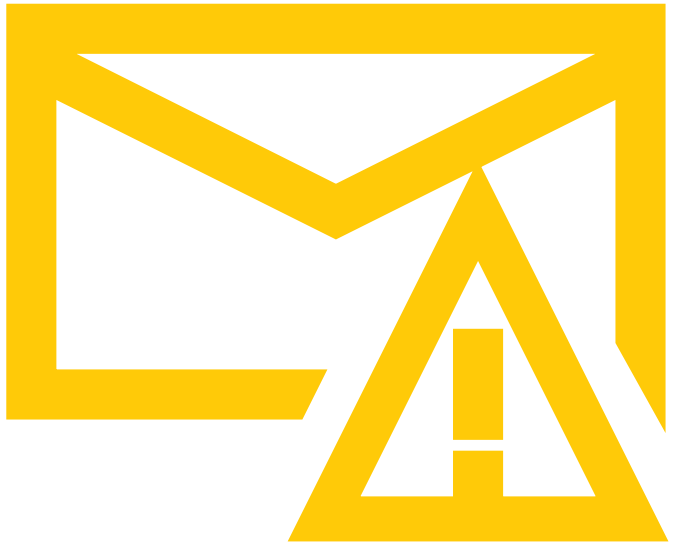
Disclosing to the Health Plan (MLTC/Managed Care)

- Notify the plan's **Compliance or Provider Relations Department** in writing.
- Be specific: include affected member IDs, claim numbers, service dates, and the error identified.
- Offer to return the overpayment and describe corrective actions taken.

Additional information regarding Regulatory Authority of Medicaid Managed Care can be found here: https://omig.ny.gov/self-disclosure-regulatory-authority

Common FWA Risk Areas in SADCs

- **Billing for Services Not Provided**
  - Billing off authorizations
  - Marking participants as “present” when they were absent.
  - Billing for transportation when member does not utilize it
- **Kickbacks**
  - Offering or receiving gifts, money, or favors for participant referrals.
- **Falsifying Documentation**
  - Altered sign-in sheets, forged signatures, or backdated records.



Internal Controls to Prevent FWA

Accurate Attendance Logs

Cross-verify sign-in sheets with billing documents

Segregation of Duties

Separate roles for staff recording attendance, billing, and reviewing documents.

Monthly Internal Reviews

Conduct mini-audits to catch errors or inconsistencies before an external review.

MLTC Audits and What to Expect

How it starts:

- **Record Request** – Sample of records for a selected time period. Example: 20 members from January 1, 2025 – December 31, 2025.
- **What to do:** Put together records in preparation to comply with the request. Good practice to hire a consultant or consult an attorney before giving the records over.
- **What not to do:** DO NOT MAKE UP THE RECORDS OR CREATE RECORDS TO SATISFY THE AUDIT. DO NOT IGNORE THE REQUEST.
- **What they are looking for** – They are comparing claim submissions/payments to actual documentation to make sure the claims are supported by the documentation. Sign in/out logs and transportation logs are compared to paid claims.
- **Reporting:** Health Plans need approval from OMIG to perform an audit on a provider. So all audits are approved by OMIG prior to initiation.

Process:

- **Review**: Health Plans takes approximately 30-60 days to review all of the records. During that time they are comparing claims to the documentation. If records support the claims, you will pass the audit. If records DON'T support the claims you will OWE them the money back. If discrepancies are found, it is not unusual for them to ask for additional records, expand the time period or extrapolate the overpayment.
- **Reporting:** If overpayments are identified, the OMIG is notified and Health Plan needs an approval before collecting the overpayment
- **Overpayment/Audit Letter** – You will be sent an overpayment/audit letter with how the audit was completed, the time period, the issues identified and the dollar amount you owe. Health Plans either retract payments from future claims OR request a refund by check.
- **Corrective Action Plan** – Need to supply the Health Plan with a Corrective Action Plan as to how this overpayment happened and what controls you are putting in place to make sure it doesn't happen again.

Outcomes:

- **Passed Audit** – Just because you passed an audit doesn't mean you won't be audited again. Each Health Plan operates differently but its important to always be prepared for an audit.
- **Overpayment Identified/Corrective Action Plan** – You will be audited again if an overpayment was identified and returned and a Corrective Action Plan (CAP) was put in place.

Protect Yourself:

- Have a Compliance Plan that has policies and procedures regarding the billing/documentation process
- Do monthly audits as part of your Compliance Plan to identify any gaps and immediately fix them

Consequences of Non-Compliance

Legal & Financial Risks:	OMIG or Health Plan audits can lead to **recoupment** of payments for non-compliant claims.	Civil monetary penalties or Medicaid exclusion for fraud or failure to meet standards.
Examples of Penalties:	Fines for missing documentation or improper billing.	Contract termination by Managed Long Term Care (MLTC) plans.
Criminal Charges:	Intentional fraud may result in felony charges, jail time, and agency closure.	

OMIG Compliance Library

OVERVIEW

- The Compliance Library contains a collection of publications, webinars, and other resources regarding compliance.

- https://omig.ny.gov/compliance/compliance-library

CONTACT OMIG'S BUREAU OF COMPLIANCE

- If you have any compliance-related questions, please contact the Bureau of Compliance at (518) 408-0401 or compliance@omig.ny.gov.

See Something, say Something

OMIG's Fraud Hotline: 1-877-87 FRAUD (1-877-873-7283) or **file a claim electronically**.