

**ULSTER COUNTY LEGISLATURE
COMMITTEE MEETING MINUTES**

NAME OF COMMITTEE: Special Health and Human Services Committee Mtg.

DATE: June 16, 2011

TIME: 6:00 P.M.

PLACE: Legislative Library, 6th Floor

LEGISLATORS PRESENT: Chairman Frey, Legislators Parete, Ronk, Maio, Petit, Briggs, Stoeckeler

LEGISLATOR EXCUSED: Harris, Loughran

OTHERS ATTENDING: June Crawford Consultant with the Bonadio Group, Marshall Beckman Deputy Cty. Exec., Kristin Carney Director Mental Health, Margaret Sellers LWV, Nettie Tomshaw UC Legislature Staff

- The meeting was called to order by Chairman Frey at 6:05 PM.
- Attendance - All members present with the exception of Leg. Harris and Loughran.
- Chairman Frey called this special meeting of the Health and Human Services Committee to meet with consultant, June Crawford of the Bonadio Group to review and discuss the (OMIG) Office of the Medicaid Inspector General, NYS Department of Health Final Audit Report review of Ulster County Community Mental Health Claims for Outpatient Chemical Dependence Services Paid from July 1, 2004 - December 31, 2008. (Report Attached - dated May 25, 2011)
- Historically the regulations have not been clear and providers did their best to interpret the law. For the past 5-6 years, state and federal officials focus has been on enforcing these regulations based on their most strict interpretation of the law.
- The report details objectives, scope, procedures, laws, regulations, rules and policies, sampling technique, findings, provider rights and statistical analysis.
- The Audit found deficiencies in the way the county administered the program that did not comply with state requirements.
- The county exceeded its group counseling patient limit of 15 persons in some instances. When the department exceeds the limit of people allowed in a session, state law says you can not submit claims. Also the county submitted claims more than 90 days after providing the service. These findings are common throughout other counties.

- The County Executives Office and the Bonadio Group feel this is an attempt by the state to solve it's financial problems on the backs of the counties. The primary reason for the audit was to look for abuse; however it has become a revenue stream for the state budget. This will be an ongoing practice for the state to recoup funds. Other counties and businesses also are going through similar negative audit results.
- Both Marshall Beckman and Ms. Crawford stated many of the deficiencies cited in the audit were the result of differing interpretations of state regulations - documentation lacking, etc. No basis of fraud what so ever was found.
- State rec'd temporary funding of \$1.5 billion from the federal govt. to prepare for the aging population. These monies have to be paid back over a 5yr. period thru Medicaid recovery - claims. Also due to budget constraints they added an additional \$200 million in required recovery for this year.
- The estimate of overpayment of Medicaid claims paid to the county was \$517,000+, (little over 8% recovery) however after fact finding and review of HIPAA compliant billing, the state is willing to settle with the county for a reduced payment of \$303,185. Once the county and state settle and payment is made, the state or any other government agency can not go back and re-audit that same period of time. They can audit 2009 and going forward.
- The Mental Health portion of the agency can be audited and will get hit with the same issues / recovery fees.
- The county plans to pay the entire amount in one payment (to avoid prime plus 2%) out of the revenue line department budget within the Mental Health Department - most straight forward, no resolution needed.

The meeting was adjourned at 6:40 PM with a motion offered by Legislator Ronk, Seconded by Legislator Stoeckeler, will all in favor, Carried.

Respectfully Submitted,

**Walter Frey Jr., Chairman / NT
Health & Human Services Committee**