

OFFICE OF THE MEDICAID INSPECTOR GENERAL

MISSION

The Office of the Medicaid Inspector General (OMIG) was statutorily established in 2006 – as an independent entity within the Department of Health – to improve and preserve the integrity of the Medicaid program by conducting and coordinating fraud, waste and abuse control activities for all State agencies responsible for services funded by Medicaid.

In carrying out its mission, the Office conducts and supervises all prevention, detection, audit and investigation efforts and coordinates such activities with the Department of Health, and the Office of Mental Health, Office of Mental Retardation and Developmental Disabilities and Office of Alcoholism and Substance Abuse Services. In addition, the Medicaid Inspector General works closely with the Attorney General's Medicaid Fraud and Control Unit (MFCU) and Federal and local law enforcement agencies.

ORGANIZATION AND STAFFING

The Office is headed by the Medicaid Inspector General who is appointed by the Governor with the advice and consent of the Senate. The Office of the Medicaid Inspector General is headquartered in Albany with six regional field offices located throughout the state – in Buffalo, Hauppauge (Long Island), Rochester, Syracuse, White Plains and New York City.

The Office is organized into six bureaus – Information Technology and Fraud Detection Systems, Investigations and Enforcement, Medicaid Audit, Revenue Initiatives, Administration and Office of the Counsel – and will have a workforce of **728 positions** in 2010-11, an increase of 69 positions from the 2009-10 budget.

BUDGET HIGHLIGHTS

The 2010-11 Executive Budget recommends **\$88.2 million All Funds** (\$33.3 million General Fund, \$54.9 million Other Funds) to support the operations of the Office of the Medicaid Inspector General. This is a decrease of **\$2.9 million** (\$1.4 million General Fund, \$1.5 million Other Funds) from the 2009-10 budget, reflecting administrative efficiencies.

Beginning in 2010-11, the Office of the Welfare Inspector General will share administrative services with OMIG, which will provide greater efficiencies, and strengthen collaborative efforts to detect and control public benefits fraud.

PROGRAM HIGHLIGHTS

The Medicaid program was established by the Federal government in 1965 as a health insurance program for the poor. Absent any additional reforms, New York's Medicaid program would cost \$53.2 billion in 2010-11. Medicaid provides coverage to nearly 4.1 million New Yorkers.

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The Department of Health now processes more than 400 million Medicaid claims annually to approximately 60,000 active health care providers offering a wide range of services including nursing facility care, inpatient and outpatient hospital care, home health care, physician services, pharmaceuticals, and other services.

The 2010-11 Executive Budget provides the resources needed to support the Office of the Medicaid Inspector General's mission to prevent, detect, investigate and prosecute Medicaid fraud.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2009-10	Appropriations Recommended 2010-11	Change	Reappropriations Recommended 2010-11
State Operations	91,090,000	88,161,000	(2,929,000)	48,127,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	91,090,000	88,161,000	(2,929,000)	48,127,000

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2009-10 Estimated FTEs 03/31/10	2010-11 Estimated FTEs 03/31/11	FTE Change
Medicaid Audit and Fraud Prevention			
General Fund	328	362	34
Special Revenue Funds - Federal	328	363	35
Special Revenue Funds - Other	3	3	0
Total	659	728	69

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2009-10	Recommended 2010-11	Change
General Fund	34,742,000	33,274,000	(1,468,000)
Special Revenue Funds - Federal	52,284,000	50,804,000	(1,480,000)
Special Revenue Funds - Other	4,064,000	4,083,000	19,000
Total	91,090,000	88,161,000	(2,929,000)

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2009-10	Recommended 2010-11	Change
Medicaid Audit and Fraud Prevention			
General Fund	38,442,000	36,974,000	(1,468,000)
Special Revenue Funds - Federal	52,284,000	50,804,000	(1,480,000)
Special Revenue Funds - Other	364,000	383,000	19,000
Maintenance Undistributed			
General Fund	(3,700,000)	(3,700,000)	0
Special Revenue Funds - Other	3,700,000	3,700,000	0
Total	91,090,000	88,161,000	(2,929,000)

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STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2010-11 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	23,484,000	(22,000)	23,341,000	(22,000)
Total	23,484,000	(22,000)	23,341,000	(22,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	23,000	0	120,000	0
Total	23,000	0	120,000	0

STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2010-11 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	13,490,000	(1,446,000)	870,000	(114,000)
Total	13,490,000	(1,446,000)	870,000	(114,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	309,000	10,000	8,949,000	(704,000)
Total	309,000	10,000	8,949,000	(704,000)

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	2,862,000	(638,000)	500,000	0
Total	2,862,000	(638,000)	500,000	0

STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2010-11 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	51,187,000	(1,461,000)	24,002,000	7,000
Maintenance Undistributed	3,700,000	0	0	0
Total	54,887,000	(1,461,000)	24,002,000	7,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	26,685,000	(1,468,000)	500,000	0
Maintenance Undistributed	0	0	3,700,000	0
Total	26,685,000	(1,468,000)	4,200,000	0