



Onondaga County Department of Social Services-Economic Security-Medicaid

By Onondaga County Comptroller Martin D. Masterpole

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SECTION I

INTRODUCTION & BACKGROUND

Introduction

The Onondaga County Department of Social Services - Economic Security provides medical assistance and support to individuals who meet income and resource guidelines. Onondaga County has two Medical Assistant Units. One is the Chronic Care Unit which processes Medicaid applications for those individuals who are seeking help in paying for nursing home or long term home health care services. The other is the Medicaid Assistance Community which processes applications for a variety of public health insurance programs including Medicaid, Prenatal care services (Presumptive Eligibility), Family Planning Benefit Program and the Medicare Savings Program.

The Medicaid assistance program is a major federal reimbursement program and subject to a Federal Single Audit. Medicaid is the largest dollar federal grant program, and considered high risk, pursuant to the Code of Regulations, (2 CFR section 200.519.) The 2024 & 2023 Medicaid program reimbursements were \$756,535,135 and \$781,247,553 respectfully.

Background

As a condition of Federal Funding under Title XIX of the Social Security Act, 42 USC, New York State Department of Health (NYSDOH) administers the Medicaid program under a state-approved plan. Federal law requires states to cover certain eligible mandatory groups of individuals such as low-income families, qualified pregnant women and children and individuals receiving Supplemental Security Income (SSI). States are not required to participate but, once a state opts into the Medicaid program, it must abide by the Federal rules.

Federal rules allow for some flexibility, as the states have the opportunity to apply to the Federal Centers for Medicaid and Medicare Services (CMS) for a Waiver of Federal requirements. New York State received approval from the CMS for its Partnership Plan Medicaid Section 1115 Demonstration in 1997. Implementation of the Partnership Plan Demonstration improved access to health care for the Medicaid population by expanding coverage with resources generated through managed care efficiencies to the low-income residents.

Several amendments made over the years have improved and updated the process. These include:

- The Affordable Care Act (ACA) established the methodology for determining income eligibility for Medicaid, Modified Adjusted Gross Income (MAGI) and the ACA enabled NYSDOH to expand Medicaid to cover nearly all low-income Americans under age 65.
- The amendment to the Partnership Plan enabled New York to extend long term nursing facility services to NYS enrollees.

- Implementation of Health and Recovery Plans (HARPs), the integration of physical and behavioral health for Medicaid enrollees with Diagnosed Severe Mental Illness (SMI) and/or Substance Use Disorder (SUD) to receive services in their own homes and communities.

The most recent amendment, Section 5112 of the Consolidated Appropriations Act, 2023 (CAA 2023) Children's Health Insurance Program (CHIP) provides 12 months of continuous eligibility coverage for children under the age of 19. This amendment provides for a full 12-month period of coverage regardless of any change in circumstances.

The County's Local District Social Services, (LDSS) office and New York City Human Resource Administration determine the eligibility and enrollment for the Medicaid program. The LDSS is responsible for ensuring the Medicaid program meet all Federal requirements for eligibility. While eligibility is determined in the LDSS offices, New York State pays out the Medicaid benefits.

SECTION II

Executive Summary

Executive Summary

The Onondaga County Comptroller's Office engaged in an audit of the Social Services - Economic Security – Medicaid, (MA) to ensure the programs internal controls are operating sufficiently and in compliance with federal regulations. Internal Controls should provide reasonable assurance that only eligible individuals receive MA assistance under the Federal Award, 93.778 programs and in accordance with program requirements supported by proper documentation.

Over the course of the audit, we tested for compliance requirements to this specific federal program. Forty new open cases of Medicaid-Chronic Care and Medicaid-Community due for recertification were tested. Findings included:

- In 1 case of the 40 tested there was a missing application.
- In 2 cases of the 40 tested, the budget document was not completed.

SECTION III

SCOPE AND METHODOLOGY

Scope:

The purpose of this report is to provide Onondaga County's Department of Medicaid with information and recommendations on the internal controls and operating effectiveness as it pertains to eligibility for the Medicaid program. In order to gain an understanding of their current process we analyzed a variety of data during the audit period of January 1, 2024 through December 31, 2024.

Our objectives for the audit were to:

- Determine if expenditures associated with Medicaid were made on behalf of eligible individuals and for allowable activities and costs.

Methodology:

In order to complete our objectives we:

- Reviewed applicable laws, policies, procedures and regulations to attain an understanding of the Medicaid Assistance Program for Chronic Care and Community.
- Interviewed staff and management responsible for oversight and implementation of the aforementioned laws, policies, procedures and regulations.
- Selected and tested a sample of client cases in order to determine if internal controls are operating effectively to properly determine eligibility for the Medicaid-Chronic Care program and the Medicaid-Community program.
- Discussed draft findings and recommendations with Medicaid administrators for their input and evaluation.
- Finalized our findings and recommendations and included them in this report.

SECTION IV

FINDINGS AND RECOMMENDATIONS

Over the course of the audit, we tested for compliance requirements to this specific federal program. Forty new open cases of Medicaid-Chronic Care Unit and Medicaid-Community Unit were tested and forty recertification cases were tested.

Findings and Recommendations:

We noted in review of the new open Community Medicaid cases; one case file tested did not include an application.

Recommendation:

We recommend Medicaid staff comply with Medicaid procedures according to the Administrative Directives and ensure client(s) complete application, DOH-4220 (1/23) and provide documentation as required. (42 CFR 435.10)

We noted in review of the new open Community Medicaid cases; for two of the case files tested, the caseworker did not complete a Budget for the client.

Recommendation:

We recommend Medicaid staff comply with procedures according the Administrative Directives and complete a budget for the client(s).

SECTION V MANAGEMENT RESPONSE



COUNTY OF ONONDAGA

Department of Social Services-Economic Security

Child Support ♦ Child Care ♦ Fair Hearings ♦ Fraud ♦ HEAP ♦ Medicaid ♦ SNAP ♦ Systems ♦ Temporary Assistance

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June 20, 2025

Mr. Martin D. Masterpole
Audit Department
Onondaga County Comptroller's Office
421 Montgomery Street, 14th Floor
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Re: Response to Audit Report on Onondaga County Department of Social Services – Economic Security
– Medicaid program

Dear Mr. Masterpole,

This letter is in response to the findings and recommendations in the above referenced report.

- 1.) 1 of 30 Community MA new-open cases tested for compliance had no application or income documentation found in IEDR. Case comments purport that client was eligible for emergency MA only. Subsequently an application was located, signed on 12/28/2023. No budget had been completed. To make the case record whole at this time, a Community Supervisor created a budget on 4/9/2025 and scanned the found documents into IEDR.

We agree with your recommendation that Medicaid staff be reminded to comply with procedures according to the Administrative Directives and ensure client(s) complete application DOH-4220 and provided documentation as required and then scan those documents into our electronic database. This will be stressed in the training for our newest, probationary Workers and given as a written reminder to all staff, reinforced by mention in the next monthly staff meetings.

- 2.) 1 of 30 Community MA new-open cases tested for compliance had no application or budget found in IEDR. Case was opened for a surviving wife, at the closure of a deceased husband's MA case.

We agree with your recommendation that Medicaid staff comply with procedures according to Administrative Directives and complete a budget for all cases. Staff be reminded to comply with procedures according to the Administrative Directives and ensure client(s) complete application DOH-4220. An all-staff memo will be issued and employees reminded of this at their one-on-ones. In this instance, a budget was created on 4/9/2025 using the Widow's income and all documentation scanned into IEDR on her new case.

Please let me know if you have any questions or would like more information.

Thank you,

Ken Ellis

Ken Ellis
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The mission of the Department of Social Services-Economic Security is to accurately and efficiently administer economic support and services to county residents in a respectful manner where each person is treated fairly. Our staff is responsible for following state and federal guidelines for delivering appropriate assistance. The delivery of services will be conducted in a safe and supportive environment for members of our staff and the public. Our goal is to help people achieve their highest level of independence by providing quality service in a timely, efficient and dignified manner.

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