



Robert P. Astorino
County Executive

Department of Social Services
Kevin M. McGuire
Commissioner

29985

Date: October 16, 2012

To: Board of Acquisition and Contract

From: Kevin M. McGuire
Commissioner of Social Services

Subject: Resolution to exempt from the Westchester County Procurement Policy an Agreement with Island Peer Review Organization, Inc. d/b/a IPRO for the purpose of conducting Medicaid Compliance Reviews, pursuant to Section 3(a) xxi thereof

Authority is hereby requested to exempt an agreement pursuant to Section 3(a) (xxi) between the County of Westchester and Island Peer Review Organization, Inc. d/b/a IPRO for the purpose of conducting Medicaid Compliance Reviews for the County for the period September 1, 2012 through August 31, 2013 with the County having the option to renew the agreement for three (3) additional one-year terms for amounts to be negotiated.

The New York State Association of Counties and its member counties have been working with the State Department of Health and the Medicaid Inspector General's Office to develop a project designed to assist the State in tackling Medicaid fraud, waste or abuse at the County level. Participation in this project makes Westchester County a partner in the effort to detect, investigate and prosecute Medicaid fraud, waste and abuse and to increase recoveries to both State and local governments.

The Westchester County Department of Social Services has contracted the services of Island Peer Review Organization since 2006 for assistance in carrying out Medicaid auditing, investigation and possible pre-litigation services. IPRO has served as the federally designated Quality Improvement Organization for New York State since 1989. In addition, under a contract with the State, IPRO is responsible for New York Medicaid Utilization Review and Quality Assurance, ensuring that care rendered to Medicaid recipients is appropriate and meets professionally recognized standards.

This contract serves a public purpose which is in the County's best interest pursuant to Section 3(a) xxi in that it provides the means for the County to detect, investigate and prosecute Medicaid fraud, waste and abuse and generate recoveries to both state and local

governments. If a new auditor were selected at this time, a new Data Exchange Application and Agreement would be required. This process took eight months for the original approval and would result in considerable delay in conducting the compliance reviews. Further, it would be in the best interest of the County to continue contracting with IPRO in that the services of IPRO staff who conducted the audits would be readily available in matters related to administrative hearings if clients request for such hearings on IPRO's findings. In light of the fact that IPRO has been working with the Department for the benefit of the County since 2006, and, by virtue of their expertise and experience, they are in a most advantageous position to deliver the services under the proposed agreement. So it is highly recommended that the best interests of the County would be served by awarding the aforesaid contract to IPRO.

The **goals and objectives** of this agreement are:

- to evaluate claims data and other Medicaid information from the data warehouse and Salient Solutions in order to identify targets for audit or further investigation
- to conduct audits and reviews of providers' compliance with Medicaid billing and program requirements
- to provide pre-litigation and litigation services and testify at proceedings as necessary

The goals and objectives of this agreement will be tracked and monitored through performance measurement indicators approved by the County Budget Office, submission of audit reports, weekly conference calls and monthly written status reports on investigation/audit activity.

Therefore, it is proposed that the best interests of the County are served by entering into this agreement with Island Peer Review Organization, Inc. d/b/a IPRO for continued Medicaid Compliance Reviews. This recommendation is made pursuant to Section 3(a) xxi of the Westchester County Procurement Policy. A separate resolution will be submitted requesting authority to enter into this agreement.

We respectfully request the approval of the attached resolution by your Honorable Board.

RESOLUTION

Upon a communication from the Commissioner of the Department of Social Services, be it hereby

RESOLVED, that pursuant to Section 3(a) xxi of the Westchester County Procurement Policy and Procedures, it is hereby determined that application of the procedural requirements contained therein, including the necessity of soliciting proposals, is neither cost effective nor expedient, and accordingly, not in the best interests of the County in connection with the procurement of an Agreement for Medicaid Compliance Reviews with Island Peer Review Organization, Inc. d/b/a IPRO for the period September 1, 2012 through August 31, 2013 with the County having the option to renew the agreement for three (3) additional one-year terms for amounts to be negotiated.

APPROVED BOARD OF ACQUISITION & CONTRACT - 10/15/12 - DANIELA VIEIRA, SECRETARY