



Robert P. Astorino
County Executive

Department of Social Services
Kevin M. McGuire
Commissioner

Philippe Gille
First Deputy Commissioner

51574

Date: March 18, 2016

To: Board of Acquisition and Contract

From: Kevin M. McGuire
Commissioner of Social Services

Subject: **Resolution authorizing the County of Westchester to further amend an agreement with Island Peer Review Organization, Inc. d/b/a IPRO for the purpose of conducting Medicaid Compliance Reviews for the County by extending the contract to end on December 31, 2016 at no cost to the County to give time to the Contractor to complete the audit appeal and hearing process.**

On November 21, 2012, your Honorable Board approved a resolution authorizing the County of Westchester, acting by and through its Department of Social Services, to enter into an agreement with Island Peer Review Organization, Inc. d/b/a IPRO to conduct Medicaid Compliance Reviews for the County for the period from September 1, 2012 through August 31, 2013 for an amount not to exceed \$454,409 with the County having the option to renew the agreement for three (3) additional one-year terms for amounts to be negotiated. The contract was subsequently executed.

On September 26, 2013, your Honorable Board approved a resolution authorizing the County of Westchester to exercise its first option to renew the agreement with Island Peer Review Organization, Inc. d/b/a IPRO for the period from September 1, 2013 through August 31, 2014 for an amount not to exceed \$454,409. The contract was subsequently executed.

On October 23, 2014, your Honorable Board approved a resolution authorizing the County of Westchester to amend the first option renewal agreement with Island Peer Review Organization, Inc. d/b/a IPRO for the period from September 1, 2013 through August 31, 2014 for an amount not to exceed \$454,409 by extending the contract for six months to end on February 28, 2015 and by increasing the not to exceed amount by \$233,147 from an amount not to exceed \$454,409 to a new total not to exceed amount of \$687,556 to be paid

pursuant to an approved budget and subject to appropriation. The amendment was subsequently executed.

On April 2, 2015, your Honorable Board approved a resolution authorizing the County of Westchester to further amend the first option renewal agreement with Island Peer Review Organization, Inc. by extending the contract for an additional three (3) months to end on May 31, 2015 at no additional cost to the County to complete the exit conference process on audits already performed. The amendment was subsequently executed.

Through resolution approved on June 25, 2015, your Honorable Board authorized the County of Westchester to further amend the aforesaid agreement with Island Peer Review Organization, Inc. d/b/a IPRO by extending the contract for an additional seven (7) months to end on December 31, 2015 at no additional cost to the County. This additional extension was requested because the contractor was able to complete the exit conference process as anticipated. This amendment was subsequently executed.

Authority is now requested for the County of Westchester to further amend the aforesaid agreement with Island Peer Review Organization, Inc. d/b/a IPRO by extending the contract for a year to end on December 31, 2016 at no additional cost to the County. Any agency which has been subject to an audit may ask for a hearing to review the results. One of the agencies audited by IPRO has asked for such a hearing. This additional extension is being requested to give time to complete the hearing/appeal process. A one year extension is being requested because we do not know how much time this process would take. Please be noted that this is a no cost extension and the County is not renewing this agreement with the vendor.

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.

This contract serves a **public purpose** 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.

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

These **goals and objectives are in the best interests of the County in terms of health and safety** in that the efforts put forth through this contract are designed to maintain and protect the integrity of the Medicaid system. Medicaid is the largest source of funding for medical and health-related services for people with limited income. Improving the efficiency and accountability of the Medicaid program by preventing and detecting fraudulent, wasteful and abusive practices protects the health and safety of the Westchester County residents receiving health care services through this program.

Also, these **goals and objectives are in the best interests of the County as regards fiscal responsibility** in that the identification and prosecution of Medicaid fraud act as a deterrent against future fraud and, in many instances, results in the recovery of funds expended by the taxpayers. Achieving success in areas such as Medicaid recoveries is a significant step toward economic well-being.

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

Authority to exempt the proposed agreement from the application of the Procedures of the Westchester County Procurement Policy pursuant to Section 3(a) xxi has already been granted through a resolution approved by your Honorable Board on November 15, 2012.

Except as specifically amended hereby, all other terms and conditions of the original agreement as extended and amended shall remain in full force and effect.

Accordingly, authority is requested to amend the agreement with Island Peer Review Organization, Inc. d/b/a IPRO for the above stated purpose.

Approval of the attached resolution by your Honorable Board is respectfully requested.

RESOLUTION

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

RESOLVED, that the County of Westchester, acting by and through its Department of Social Services, is hereby authorized to further amend an agreement with Island Peer Review Organization, Inc. d/b/a IPRO for the purpose of conducting Medicaid Compliance Reviews for the County for the period from September 1, 2013 through December 31, 2015 as extended and amended by extending the contract further for a year to end on December 31, 2016 at no additional cost to the County to give time to the Contractor to complete the audit appeals and hearing process which is part of the audit and review project; and be it further

RESOLVED, that except as specifically amended hereby, all other terms and conditions of the original agreement as extended and amended shall remain in full force and effect; and be it further

RESOLVED, that the County Executive, or his authorized designee, is hereby authorized to execute all instruments and take all actions necessary to implement this resolution.

Account to be Charged/Credited

| | Fund | Dept | Major Program, Program & Phase Or Unit | Object/ Sub-Object | Trust Account | Dollars |
|--|------|------|--|--------------------|---------------|---------|
| | N/A | N/A | N/A | N/A | ----- | N/A |
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Budget Funding Year(s): N/A
(must match resolution)

Start Date: N/A

End Date: 12/31/2016

Funding Source

Tax Dollars: N/A

State Aid: N/A

N/A

Federal Aid: N/A

(must match resolution)

Other: N/A