Audit protocols assist the Medicaid provider community in developing programs to evaluate compliance with Medicaid requirements under federal and state statutory and regulatory law. Audit protocols are intended solely as guidance in this effort. This guidance does not constitute rulemaking by the New York State Office of the Medicaid Inspector General (OMIG) and may not be relied on to create a substantive or procedural right or benefit enforceable, at law or in equity, by any person. Furthermore, nothing in the audit protocols alters any statutory or regulatory requirement and the absence of any statutory or regulatory requirement from a protocol does not preclude the OMIG from enforcing the requirement. In the event of a conflict between statements in the protocols and either statutory or regulatory requirements, the requirements of the statutes and regulations govern.

A Medicaid provider’s legal obligations are determined by the applicable federal and state statutory and regulatory law. Audit protocols do not encompass all the current requirements for payment of Medicaid claims for a particular category of service or provider type and, therefore, are not a substitute for a review of the statutory and regulatory law. The OMIG cannot provide individual advice or counseling, whether medical, legal, or otherwise. If you are seeking specific advice or counseling, you should contact an attorney, a licensed practitioner or professional, a social services agency representative, or an organization in your local community.

Audit protocols are applied to a specific provider type or category of service in the course of an audit and involve the OMIG’s application of articulated Medicaid agency policy and the exercise of agency discretion. Audit protocols are used as a guide in the course of an audit to evaluate a provider’s compliance with Medicaid requirements and to determine the propriety of Medicaid expended funds. In this effort, the OMIG will review and consider any relevant contemporaneous documentation maintained and available in the provider’s records to substantiate a claim.

OMIG, consistent with state and federal law, can pursue civil and administrative enforcement actions against any individual or entity that engages in fraud, abuse, or illegal or improper acts or unacceptable practices perpetrated within the medical assistance program. Furthermore, audit protocols do not limit or diminish the OMIG’s authority to recover improperly expended Medicaid funds and the OMIG may amend audit protocols as necessary to address identified issues of non-compliance. Additional reasons for amending protocols include, but are not limited to, responding to a hearing decision, litigation decision, or statutory or regulatory change.
OMIG AUDIT PROTOCOL – OMH OUTPATIENT
CONTINUING DAY TREATMENT SERVICES

Revised 08/12/15

<table>
<thead>
<tr>
<th></th>
<th>Missing Recipient Record</th>
</tr>
</thead>
<tbody>
<tr>
<td>OMIG Audit Criteria</td>
<td>If the recipient record is not available for review, claims for all dates of service associated with the recipient record will be disallowed.</td>
</tr>
</tbody>
</table>
| Regulatory References | 18 NYCRR Section 504.3(a)  
18 NYCRR Section 540.7(a)(8)  
14 NYCRR Section 587.18(a) |

<table>
<thead>
<tr>
<th>2.</th>
<th>No Documentation of Continuing Day Treatment Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>OMIG Audit Criteria</td>
<td>If recipient records lack documentation that a face-to-face continuing day treatment service was provided, the claim will be disallowed.</td>
</tr>
</tbody>
</table>
| Regulatory References | 18 NYCRR Section 504.3(a)  
18 NYCRR Section 540.7(a)(8)  
18 NYCRR Section 505.25(d)(1)  
18 NYCRR Section 505.25(e)(5)  
18 NYCRR Section 505.25(f)(1) and (3)  
18 NYCRR Section 505.25(h)(1)(ii)  
14 NYCRR Section 587.10(d)  
14 NYCRR Section 587.10(e)  
14 NYCRR Section 587.18(b)(7)  
14 NYCRR Section 588.4(a) and (b) |

<table>
<thead>
<tr>
<th>3.</th>
<th>Excessive Preadmission Visit</th>
</tr>
</thead>
<tbody>
<tr>
<td>OMIG Audit Criteria</td>
<td>Claims for preadmission visits in excess of the maximum allowed three preadmission visits will be disallowed.</td>
</tr>
<tr>
<td>Regulatory References</td>
<td>14 NYCRR Section 588.5(k)(4)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4.</th>
<th>Missing Individual Treatment Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>OMIG Audit Criteria</td>
<td>A written individual treatment plan must be completed prior to the 12th visit or within 30 days of admission. Claims for services provided on the 12th visit or on the 30th day after the admission date will be disallowed if the written individual treatment plan is missing.</td>
</tr>
</tbody>
</table>
| Regulatory References | 18 NYCRR Section 505.25(d)(2)  
14 NYCRR Section 587.18(b)(6)  
14 NYCRR Section 588.5(c)  
14 NYCRR Section 588.7(k) |

This document is intended solely for guidance. No statutory or regulatory requirement(s) are in any way altered by any statement(s) contained herein. This guidance does not constitute rulemaking by the OMIG and may not be relied on to create a substantive or procedural right or benefit enforceable, at law or in equity, by any person.
### OMIG AUDIT PROTOCOL – OMH OUTPATIENT CONTINUING DAY TREATMENT SERVICES

Revised 08/12/15

<table>
<thead>
<tr>
<th>5.</th>
<th>Late Individual Treatment Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OMIG Audit Criteria</strong></td>
<td>A written individual treatment plan must be completed prior to the 12th visit or within 30 days of admission. Claims for services provided on the 12th visit or on the 30th day after the admission date will be disallowed if the written individual treatment plan is not completed timely. Claims for services will be disallowed until an individual treatment plan is completed. The treatment plan is considered completed upon the signature of the primary counselor or supervisor.</td>
</tr>
</tbody>
</table>
| **Regulatory References** | 18 NYCRR Section 505.25(d)(2)  
14 NYCRR Section 587.18(b)(6)  
14 NYCRR Section 588.5(c)  
14 NYCRR Section 588.7(k) |

<table>
<thead>
<tr>
<th>6.</th>
<th>Missing Documentation of Treatment Plan Review</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OMIG Audit Criteria</strong></td>
<td>A treatment plan review must take place at least every three months. Claims will be disallowed for billed service dates during any time for which there is no documentation of a treatment plan review in the recipient’s record.</td>
</tr>
</tbody>
</table>
| **Regulatory References** | 18 NYCRR Section 505.25(d)(2)  
14 NYCRR Section 588.5(c)  
14 NYCRR Section 588.7(k) |

<table>
<thead>
<tr>
<th>7.</th>
<th>Missing Physician Signature on Treatment Plan or Treatment Plan Review</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OMIG Audit Criteria</strong></td>
<td>Physician review and approval of the treatment plan and/or periodic review of the treatment plan is substantiated by physician signature. Claims will be disallowed in the absence of a physician signature on the treatment plan or review for the billed service dates within that time frame.</td>
</tr>
</tbody>
</table>
| **Regulatory References** | 18 NYCRR Section 505.25(e)(1)  
18 NYCRR Section 505.25(h)(1)(i)  
14 NYCRR Section 587.16(e)(1)  
14 NYCRR Section 587.16(g)(5)  
14 NYCRR Section 588.7(k) |

<table>
<thead>
<tr>
<th>8.</th>
<th>Missing Record of Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OMIG Audit Criteria</strong></td>
<td>There must be a record of all face-to-face contacts with the recipient, the type of service provided and the duration of the contact. The claim will be disallowed if documentation of attendance is missing.</td>
</tr>
</tbody>
</table>
| **Regulatory References** | For services prior to 4/1/2009:  
14 NYCRR Section 587.18(b)(7)  
14 NYCRR Section 588.7(a), (b) and (c)  
For services 4/1/2009 and After:  
14 NYCRR Section 588.7(d) – (h) |

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**9. Missing Progress Note**

**OMIG Audit Criteria**
For continuing day treatment services, progress notes related to treatment plan goals must be recorded at least every two weeks. If the progress note is missing, claims will be disallowed for all visits within that specific interval for services that were to have been summarized by the progress note.

**Regulatory References**
- 14 NYCRR Section 587.16(f)(2)
- 14 NYCRR Section 587.18(b)(8) and (9)

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**10. Incorrect Rate Code Billed**

**OMIG Audit Criteria**
For claims for continuing day treatment services that were billed using an incorrect rate code which resulted in a higher reimbursement than indicated for the proper rate code, the amount of the claim disallowed will be the difference between the incorrect rate code amount billed and the correct rate code amount.

**Regulatory References**
- For services prior to 4/1/2009:
  - 18 NYCRR Section 505.25(h)(2)
  - 14 NYCRR Section 588.13(a)(3)
  - 14 NYCRR Section 588.13(b)(1)
  - 14 NYCRR Section 588.7(a)-(c)
- For services **4/1/2009 and after**:
  - 14 NYCRR Section 588.7(d) - (h)

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**11. Incorrect Collateral Billings**

**OMIG Audit Criteria**
Collateral persons are defined as (1) members of the recipient’s family or household; (2) significant others … identified in the treatment plan; or, (3) significant others … identified in preadmission notes. Claims for services billed for individuals not meeting the definition of collateral persons, or if the collateral person is not listed on the patient’s treatment plan or in preadmission notes will be disallowed.

**Regulatory References**
- 18 NYCRR Section 505.25(e)(5)
- 14 NYCRR Section 587.4(a)(3)

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**12. Failure to Meet Minimum Duration Requirements**

**OMIG Audit Criteria**
Claims for visits of less than one hour in duration for continuing day treatment services, less than 30 minutes for collateral visits, or less than 60 minutes for group collateral visits will be disallowed. For services 4/1/2009 and after, claims for visits of less than two hours in duration for continuing day treatment services, less than 30 minutes for collateral visits, or less than 60 minutes for group collateral visits will be disallowed.

**Regulatory References**
- For services prior to **4/1/09**:
  - 14 NYCRR Section 588.7(a)(1), (b) and (c)
- For services **4/1/2009 and after**:
  - 14 NYCRR Section 588.7(d) - (f)
## 13. Failure to Meet Preadmission Visit Duration Requirements

**OMIG Audit Criteria**
Claims for preadmission visits less than one hour in duration will be disallowed.

**Regulatory References**
- 14 NYCRR Section 588.5(k)(2)
- For services 4/1/2009 and after:
  - 14 NYCRR Section 588.7(h)

## 14. No Explanation of Benefits (EOB) for Medicare Covered Service

**OMIG Audit Criteria**
If an EOB for a Medicare covered service provided by an enrolled practitioner is not found, the claim will be disallowed.

**Regulatory References**
- 18 NYCRR Section 360-7.2
- 18 NYCRR Section 540.6(e)(2)
- *NYS Medicaid Program, Information For All Providers, Policy Guidelines, Version 2004-1, Section I*
- *Version 2006-1, Section I*
- *Version 2008-1 & 2, Section I*
- *Version 2010-1 & 2, Section I*
- *Version 2011-1 & 2, Section I*

## 15. Improper Medicaid Billings for Medicare Crossover Patients

**OMIG Audit Criteria**
If a review of Medicare’s EOB shows Medicaid’s co-payment is incorrect, the amount of the claim disallowed will be the difference between Medicaid’s incorrect co-payment billed and the correct co-payment amount.

**Regulatory References**
- 18 NYCRR Section 360-7.2
- 18 NYCRR Section 540.6(e)(2)
- *NYS Medicaid Program, Information For All Providers, Policy Guidelines, Version 2004-1, Section I*
- *Version 2006-1, Section I*
- *Version 2008-1 & 2, Section I*
- *Version 2010-1 & 2, Section I*
- *Version 2011-1 & 2, Section I*
### 16. No Explanation of Benefit (EOB) for Third Party Health Insurance (TPHI) Covered Service (Excluding Medicare)

<table>
<thead>
<tr>
<th>OMIG Audit Criteria</th>
<th>If an EOB for a TPHI (commercial carrier) covered service is not found, the claim will be disallowed.</th>
</tr>
</thead>
</table>
| Regulatory References | 18 NYCRR Section 360-7.2  
18 NYCRR Section 540.6(e)(2)  
*NYS Medicaid Program, Information For All Providers, Policy Guidelines,  
Version 2004-1, Section I  
Version 2006-1, Section I  
Version 2008-1 & 2, Section I  
Version 2010-1 & 2, Section I  
Version 2011-1 & 2, Section I* |

### 17. Improper Medicaid Billings for TPHI Patients (Excluding Medicare)

<table>
<thead>
<tr>
<th>OMIG Audit Criteria</th>
<th>If Medicaid’s co-payment is incorrect, the amount of the claim disallowed will be the difference between Medicaid’s incorrect co-payment billed and the correct co-payment amount.</th>
</tr>
</thead>
</table>
| Regulatory References | 18 NYCRR Section 360-7.2  
18 NYCRR Section 540.6(e)(2) |

### 18. Billing for Unauthorized Services

| OMIG Audit Criteria | Claims for services that are not authorized by the provider’s operating certificate will be disallowed.  
Note: Documentation showing OMH approval of optional services not shown on the operating certificate will be reviewed. |
|---------------------|-----------------------------------------------------------------------------------------------------------------|
| Regulatory References | 18 NYCRR Section 505.25(b)(3)  
18 NYCRR Section 505.25(d)(3)  
18 NYCRR Section 505.25(f)(1) and (3)  
14 NYCRR Section 587.5(b)(7)  
14 NYCRR Section 587.10(d)  
14 NYCRR Section 587.10(e)  
14 NYCRR Section 587.10(g) |
## Duration of Visit Not Documented

### OMIG Audit Criteria
There must be a record of all face-to-face contacts with the patient, the type of service provided and the duration of the contact. If the duration of the continuing day treatment visit is not documented, the claim will be disallowed.

### Regulatory References
For services prior to **4/1/2009**:
- 14 NYCRR Section 587.18(b)(7)
- 14 NYCRR Section 588.7(a)-(c)

For services **4/1/2009 and after**:
- 14 NYCRR Section 588.7(d)-(h)