

Beth Israel opioid program to shutter after audit as concern grows over fate of others

A sprawling opioid-treatment program at Mount Sinai Beth Israel will shut its doors in December as a result of more than \$7.7 million in fines levied after an audit by the state Office of the Medicaid Inspector General.

The program, located at East 25th St. and Second Ave., has been around for decades and serves some 1,500 patients a year. It employs about 65 full-time employees. Addiction-treatment advocates have raised concerns that its impending closure may be followed by the shuttering of other opioid-treatment programs across the city and state at a time when access to care is more critical than ever.

Affected patients are being transferred to other Beth Israel programs and those outside of the Mount Sinai Health System.

"We do not take this closure lightly and are deeply displeased with this outcome," said Jason Kaplan, a spokesperson for the Mount Sinai Health System, in a statement provided to *Crain's*.

"Based on a 2018 audit of 100 random claims, the OMIG identified twelve alleged minor documentation issues relating to ancillary materials and computed \$407.90 in alleged overpayments," Kaplan said. "As a result, OMIG ultimately fined Mount Sinai over \$7.7 million for this handful of alleged documentation findings. There have been no allegations of fraud or waste, nor did these allegedly incomplete documents (which Sinai vigorously contests) impact patient care in any way. Despite our strong objections and vigorous defense, we have few remaining legal or policy remedies and, at this point, have no more options other than to close the program at this one site."

Allegra Schorr, president of the Coalition of Medication Assisted Treatment Providers and Advocates of New York State, earlier this month raised the issue during a state Assembly hearing on the impact of Covid-19 on individuals with substance-use disorder.

"In addition to the threat of looming budget cuts, the Office of the Medicaid Inspector General has instituted a series of extensive, widespread compliance audits of the opioid-treatment programs," Schorr noted in her testimony. "The extrapolation methodology used by the OMIG creates an unfair and unbalanced disallowance for the audited OTPs."

Schorr noted that the vast majority of services at opioid-treatment programs are visits for the provision of medications, such as methadone or buprenorphine, for treatment, due in part to federal regulation. However, she said, OMIG's audits of programs conflates those visits with other services and then inflates claims by combining medication-administration visits with all other services, "resulting in an excessively high disallowance if and when any errors are identified."

For Mount Sinai Beth Israel, more than \$7.7 million in disallowances, or money clawed back for services rendered, was imposed.

Though Schorr noted to *Crain's* the importance of compliance, she said it's essential to emphasize that the audits reflect clerical errors and not fraud or abuse.

The Mount Sinai Beth Israel program, which had the potential for at least 3,000 errors, had only 12 findings worth \$407 each, she noted, representing an "exceptionally low" 0.004% error rate.

Schorr questioned the "chilling effect" similar audits could have on other opioid-treatment programs, and how that could affect access to care for some of the most vulnerable.

Mount Sinai Beth Israel appealed the fines. However, OMIG's audit findings were upheld in a state Department of Health administrative hearing decision in April.

"OMIG recognizes the vital services OTP programs provide to support and treat individuals with opioid dependency," a spokesperson for the state Office of the Medicaid Inspector General said in a statement provided to *Crain's*. "At the same time, OMIG audits play a critical role in protecting the integrity of the Medicaid program while promoting the health and safety of Medicaid recipients.

"Audits include reviews of clinical documentation to ensure providers are in compliance with regulations governing the New York State Medicaid Program," the spokesperson added. "If providers are not following the applicable regulations and program requirements, there is the potential for significant consequences for the very individuals relying on these providers for life-saving services."