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FOR IMMEDIATE RELEASE

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**Advocates Thank Senate for Passing Audit Reform Bill, Implore Assembly to Follow Suit
Bill Would Stop Punitive Penalties for Minor Mistakes**

Albany – Nearly 50 organizations representing New York’s Medicaid health and mental hygiene providers and recipients are asking the NYS Assembly to follow the Senate’s lead to stop unfair auditing and infuse sorely needed transparency, balance, and best practices into the Office of the Medicaid Inspector General (OMIG) Medicaid Audit process. [A sign-on letter](#) identifying many of the organizations working together to secure passage of the bill was sent to legislative leaders last week.

Today, the New York State Senate passed S.5329-A, sponsored by Senator Harckham, which would reform the OMIG Medicaid Audit process. Healthcare Advocates applaud the NYS Senate and are calling on the Assembly to join their Senate colleagues and pass its version/A.6813 before the end of the legislative session.

Last year, both houses of the NYS Legislature unanimously passed a previous version of this bill, demonstrating their concern that tactics used during Medicaid audits are often needlessly punitive and have nothing to do with fraud and abuse. Unfortunately, the Governor vetoed the bill despite vigorous support from both houses of the Legislature and countless organizations.

“The groundswell of support from Medicaid providers and consumer advocacy groups across the state to keep advocating for these critical protections was compelling,” said Lauri Cole, Executive Director of the NYS Council for Community Behavioral Healthcare. “This year, we updated the bill based on what we heard from the Executive in 2022. It’s a better bill, more pragmatic but also focused on ensuring that New York State leads the nation in the use of best practices that guarantee fairness and transparency in Medicaid audits, and ensuring providers are not decimated by an administrative or technical defect that does not constitute fraud or abuse.”

“No provider should be unfairly punished for making an honest mistake or error in their efforts to be paid for services rendered as a provider of Medicaid services, and this bill will help ensure administrative errors do not carry the same penalties as are warranted by actual fraud. The Medicaid provider network is already strained to the point of near failure in many parts of the State, and we’re happy to see the legislature is injecting a dose of common sense to the Medicaid audit process,” said Mike Alvaro, President and CEO of CP State.

“The Coalition of Medication-Assisted Treatment Providers and Advocates (COMPACT) supports OMIG’s mission to identify fraud and waste in the Medicaid system and understands the importance of compliance audits,” said Allegra Schorr, President of COMPACT. “However, current auditing practices are crippling providers and have led many providers to close or discontinue/reduce services. In these instances, there is no fraud, merely minor oversights, which are often the result of a lack of clear regulatory guidance. Our health care system is faced with significant worker shortages, worsening opioid, suicides, and gun violence epidemics. New York State must take every step to invest in our health care system, not subject providers to unfair and contradictory auditing practices.”