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**STATE OF NEW YORK
OFFICE OF THE MEDICAID INSPECTOR GENERAL**

**TESTIMONY OF JAMES C. COX
ACTING MEDICAID INSPECTOR GENERAL
OFFICE OF THE MEDICAID INSPECTOR GENERAL**

**JOINT LEGISLATIVE BUDGET TESTIMONY
HEARING ROOM B
LEGISLATIVE OFFICE BUILDING
ALBANY, NEW YORK**

**FEBRUARY 8, 2012
10:00 A.M.**

Chairman DeFrancisco, Chairman Farrell and distinguished members of the Senate Finance and Assembly Ways and Means Committee, Senator Hannon and Assemblyman Gottfried, I want to thank you for the opportunity to appear before you today to discuss the proposed 2012-13 Executive Budget as it relates to the Office of the Medicaid Inspector General.

My name is James Cox and I am the Acting Medicaid Inspector General.

Under Governor Cuomo's leadership, New York has made great strides in reforming its Medicaid program.

As that reform continues, the Office of the Medicaid Inspector General will also continue to evolve in its role of ensuring the integrity of the New York State Medicaid program.

Shortly after I became the Acting Medicaid Inspector General, Governor Cuomo directed me to conduct a thorough review of the OMIG's policies and methods and to convene a working group to address concerns voiced by the provider community.

Through this process, I have had the opportunity to hear many good ideas from the provider community and from consumer groups. Although these discussions are still ongoing, I have come away from them with a number of principles that I will put into action to improve the operations of our Office.

The provider community plays a vital role in New York's Medicaid program and ultimately, improving program integrity requires a cooperative approach. To this end, OMIG will increase its commitment to the provider compliance and education programs that have proven so successful, helping providers prevent and correct erroneous overpayments.

At the same time, consistent with its mission, OMIG's resources are focused on identifying those providers who are committing fraud or wasting taxpayer dollars – and on innovative ways to detect these behaviors within a multi-billion-dollar program. This includes creative new approaches as well as continuing our work with law enforcement at the federal, state and local levels.

OMIG must also continue to play an integral role in investigations such as the Medicare Strike Force to take "bad actors" out of our health care delivery system.

OMIG must also work to ensure that its audit process is open and transparent and it must collaborate closely with state regulatory agencies to achieve that goal. Simply stated, providers have the right to understand the rules by which they will be audited and the results of the audit.

And, finally, OMIG staff must be highly trained and expert in their respective areas.

The Executive Budget provides strong support for the Office which will not only sustain what we do but help improve OMIG's operations and ability to prevent fraud and abuse in the Medicaid program. Protecting program integrity for the state, the taxpayers and the enrollees has never been more important.

Thank you again and I will be happy to answer questions.