

MEDICAID OVERPAYMENT INVESTIGATIONS

Anyone who receives or who has received Medicaid benefits in New York State could face an investigation into their past or present eligibility for benefits. These investigations usually start with a letter sent by the Local Department of Social Services (Human Resources Administration in New York City) asking for information about the money you make and other information about your household and finances. The State's goal in these investigations is to have an individual who received Medicaid when they should not have reimburse the state for the cost of their coverage.

Medicaid Overpayments Under Usual Circumstances

Under normal circumstances, The Legal Aid Society advises anyone who receives one of these notices to consult with an attorney or another advocate before providing any information to an investigator. In many cases, the person being investigated was actually eligible for Medicaid during the time under investigation.

If you do meet with an investigator you may bring an attorney, an advocate, or even a friend with you. This is recommended because sometimes investigators pressure people into signing settlement agreements and/or agreeing to payment plans they cannot afford. Sometimes people whose first language is not English are not provided with interpretation services during the meeting.

If you do not settle your overpayment case with an investigator, your case can be sent to a law firm representing the Medicaid agency. The law firm will again ask you to settle the case. Again, you should not provide information to anyone at the law firm without talking to your own attorney or advocate. If you do not settle the case, you may be sued in court.

You should not ignore any notices you get from court. If you receive a Summons or Summons and Complaint, you should follow the instructions about filing an answer even if you do not have an attorney. You can ask for help at the court or call the Clerk's office.

Medicaid Overpayments During the COVID-19 Emergency

Medicaid overpayment investigations, court cases, and collections are on hold during the COVID-19 emergency. If you received a notice about an appointment with an investigator, you can disregard the notice for now. In addition, court cases relating to overpayments have been delayed for now.

Also, if you already signed a payment agreement to settle an overpayment case, you do not need to make payments during the emergency and you won't have any automatic payments taken out of your bank account.

After the Emergency

At this time, we do not know when investigations, court cases, and collections will restart. If you are in the middle of an investigation and your financial situation has changed as a result of COVID-19, you should inform the investigator about this change. If you have a current payment plan that you cannot afford because of changes to your financial situation, you should request a change to the payment plan.