



**Onondaga County
Department of Social Services-Economic Security
Medicaid Program 2025**

By Onondaga County Comptroller Martin D. Masterpole

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SECTION I

Introduction & Background

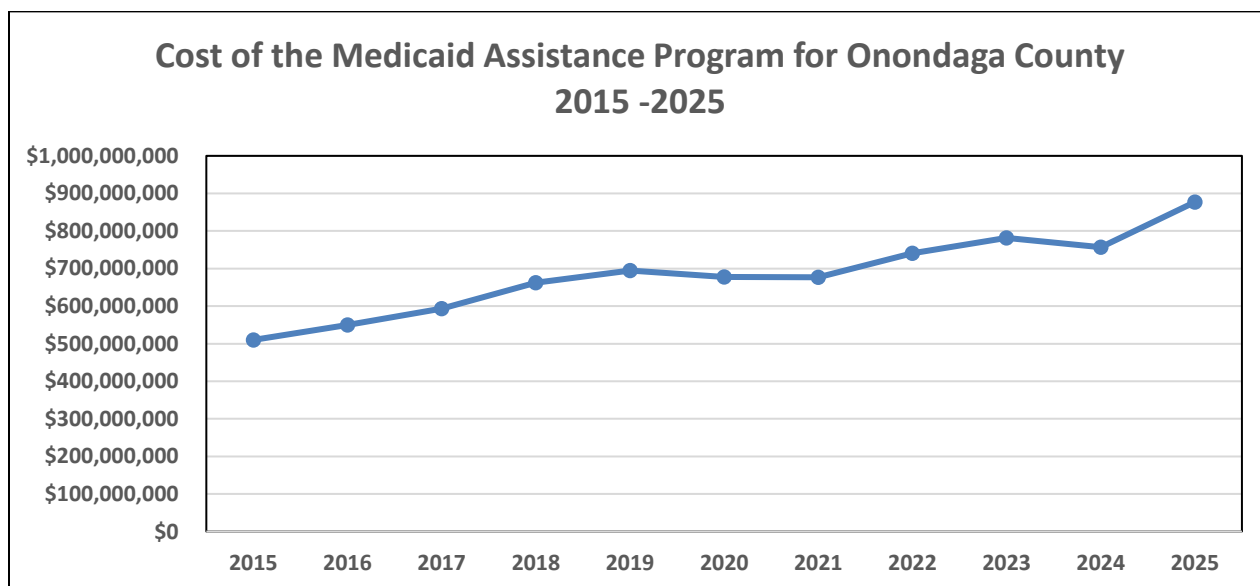
Introduction

The Onondaga County Department of Social Services - Economic Security, (DSS-ES) provides many services, including medical assistance and support to individuals who meet certain income and resource guidelines. Under this program, the federal government provides matching funds to states to enable them to provide medical assistance to residents whose incomes and resources are insufficient to meet the cost of necessary medical services.

Federal law requires certain mandatory benefits including hospital care, physician services, laboratory and x-ray services, nursing home care and home health services. States may also provide optional benefits such as dental care, vision services, prescription drugs, physical therapy and personal services that would be included in the New York State partnership plan approved by the Center for Medical and Medicare Service (CMS).

DSS-ES has two Medicaid Units, the Nursing Home Unit previously known as (Chronic Care Unit) and the Community Unit. The Nursing Home Unit processes the Medicaid applications for those individuals who are seeking help in paying for nursing home care services. The Community Unit processes applications for a variety of public health insurance programs including Medicaid, Long Term Care services, Prenatal Care services (Presumptive Eligibility), Family Planning Benefit Program and the Medicare Savings Program.

The 2025 & 2024 Medicaid Assistance for Onondaga County was \$876,916,833 and \$756,535,135 respectfully, an increase of 16%. This is the largest year over year increase in the last decade. Onondaga County's local share of the cost was \$105, 614,117. per year.



Background

As a condition of Federal Funding under Title XIX of the Social Security Act, 42 USC, New York State Department of Health (NYSDOH) administers the Medicaid program under a state approved plan. Federal law requires states to cover certain eligible mandatory groups of individuals such as low-income families, qualified pregnant women and children and individuals receiving Supplemental Security Income (SSI). States are not required to participate however once a state opts into the Medicaid program, it must abide by the Federal rules.

Federal rules allow for some flexibility, as the states have the opportunity to apply to the Federal Centers for Medicaid and Medicare Services (CMS), for a Waiver of Federal requirements. New York State received approval from the CMS for its Partnership Plan Medicaid Section 1115 Demonstration in 1997. Implementation of the Partnership Plan Demonstration improved access to health care for the Medicaid population by expanding coverage with resources generated through managed care efficiencies to low-income residents.

Several amendments made over the years have improved and updated the process.

- The Affordable Care Act (ACA) established the methodology for determining income eligibility for Medicaid, Modified Adjusted Gross Income (MAGI) and the ACA enabled NYSDOH to expand Medicaid to cover nearly all low-income Americans under age 65.
- The amendment to the Partnership Plan enabled New York to extend long term nursing facility services to NYS enrollees.
- Implementation of Health and Recovery Plans (HARPs), the integration of physical and behavioral health for Medicaid enrollees with Diagnosed Severe Mental Illness (SMI) and/or Substance Use Disorder (SUD) allows individuals to receive services in their own homes and communities.

The most recent amendment, Section 5112 of the Consolidated Appropriations Act, 2023 (CAA 2023) Children's Health Insurance Program (CHIP) provides 12 months of continuous eligibility coverage for children under the age of 19. This amendment provides for a full 12-month period of coverage regardless of any change in circumstances.

The County's Local District Social Services, (LDSS) office and New York City Human Resource Administration determine the eligibility and enrollment for the Medicaid program. The LDSS is responsible for ensuring enrollees into the Medicaid program meet all Federal requirements for eligibility. While eligibility is determined in the LDSS offices, New York State pays out the Medicaid benefits to service providers. The Medicaid Assistance program is a major federal reimbursement program and considered high risk, pursuant to the Code of Regulations, (2 CFR section 200.519), is required an audit.

SECTION II

Executive Summary

Executive Summary

The Onondaga County Comptroller's Office performed an audit of the Social Services - Economic Security – Medicaid, (MA) to ensure the program internal controls are operating sufficiently and in compliance with federal regulations. Internal Controls should provide reasonable assurance that only eligible individuals receive MA assistance under the Federal Award, 93.778 programs and in accordance with program requirements supported by proper documentation.

Over the course of the audit, we tested forty New Open Medicaid Nursing Home and Medicaid Community cases for compliance requirements to this specific federal program. There were no finding.

Additionally, we tested forty annual Recertification applicants consisting of Medicaid Nursing Home and Medicaid Community. The following finding was noted:

- One Community case was deemed eligible; however, the income documentation for the clients' employment was never received. The case was processed without adequate proof of income to prove eligibility.

SECTION III

Scope & Methodology

Scope:

The purpose of this report is to provide Onondaga County's Department of Medicaid with information and recommendations on the internal controls and operating effectiveness as it pertains to eligibility for the Medicaid program. In order to gain an understanding of their current process we analyzed a variety of data during the audit period of January 1, 2025 through December 31, 2025.

Our objectives for the audit were to:

- Determine if expenditures associated with new Medicaid applicants and the annual recertification were made on behalf of eligible individuals and for allowable activities and costs.

Methodology:

In order to complete our objectives we:

- Reviewed applicable laws, policies, procedures and regulations to attain an understanding of the Medicaid Assistance Program for Nursing Home Care and Community.
- Interviewed staff and management responsible for oversight and implementation of the aforementioned laws, policies, procedures and regulations.
- Selected and tested a sample of client cases in order to determine if internal controls are operating effectively to properly determine eligibility for the Medicaid-Nursing Home Care program and the Medicaid-Community program.
- Discussed draft findings and recommendations with Medicaid administrators for their input and evaluation.
- Finalized our findings and recommendations and included them in this report.

SECTION IV

Findings & Recommendations

Finding:

- We noted, review of the annual Recertification applicants processed for Medicaid Community, one case, #M112510 deemed eligible did not receive adequate income documentation for the clients' employment. The case was processed without adequate proof of income to prove eligibility.

We are unable to determine the value of services provided to this individual as all payment information resides with the NYS Medicaid Offices and Onondaga County's local office does not have access to the financial records maintained by NYS.

Recommendation:

We recommend the Medicaid staff comply with Medicaid procedures according to the Administrative Directives and ensure client(s) provide all required documentation to include income documentation to maintain facts in the case file to support the eligibility determination. (42 CFR 435.914)

SECTION V

Management Response



COUNTY OF ONONDAGA

Department of Social Services-Economic Security

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June 22, 2026

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Onondaga County Comptroller's Office
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Re: Response to Audit Report on Onondaga County Department of Social Services – Economic Security – Medicaid program 2025

Dear Mr. Masterpole,

This letter is in response to the findings and recommendations in the above-referenced report.

Recertification Case Findings (1 of 40 Recertifications reviewed)

1. Medicaid Case #M112510 – Per authorization # 17054818 – Client was recertified on 1/9/2025 for period (12/1/2024 – 11/30/2025). Per review, no updated income documentation provided to support eligibility, no application or budget found in IEDR. Copies of return to sender mail with notation-"case inactive" however, case was not closed.

Supervisor II Response: All documentation is present - Recert was scanned on 12/11/24, budget scanned 1/9/25. Case was closed 11/30/25.

Follow up review:

Recertification application completed and found in case file, stamped received 12/4/2024. There was a request from the worker for proof of income regarding the employment the client noted on the application. Worker made an inquiry for client's employment & SS history, 1/9/2025. No income documents received. Budget was processed with no income.

Noted: Income documents stored in IEDR are from 2023, no current proof of income documentation received from the client. The case was verified closed at the following recertification, 11/26/2025.

We agree with your recommendations and Medicaid staff will be reminded to comply with procedures according to the Administrative Directives and ensure client(s) most recent income verification documentation is present and scanned into our electronic database to support our eligibility determinations. This will be stressed in the training for our newest, probationary Workers and given as a written reminder to all staff, reinforced by mention in the next monthly staff meetings.

Please let me know if you have any questions or would like more information.

Thank you,

Ken Ellis

Ken Ellis
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The mission of the Department of Social Services-Economic Security is to accurately and efficiently administer economic support and services to county residents in a respectful manner where each person is treated fairly. Our staff is responsible for following state and federal guidelines for delivering appropriate assistance. The delivery of services will be conducted in a safe and supportive environment for members of our staff and the public. Our goal is to help people achieve their highest level of independence by providing quality service in a timely, efficient and dignified manner.

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