



**Testimony of The PromptCare Companies, Inc.  
for the  
Joint Legislative Budget Hearing on Health/Medicaid**

**February 10, 2026**

**9:30AM**

**Hearing Room, LOB**



Senate Finance Committee Chair Krueger, Assembly Ways & Means Chair Pretlow, Senate and Assembly Health Chairs Rivera and Paulin and other members of the Committees, my name is Paul Jardina. Since September of 2021, I have served as Chairman and CEO of The PromptCare Companies, a family of companies providing in-home healthcare to patients across the country for more than 40 years.

PromptCare appreciates the opportunity to submit testimony today related to the State Fiscal Year (SFY) 2026-27 State Budget and our request for the Senate and Assembly to **include the language contained in S8949, sponsored by Senator Harckham and A9553, sponsored by Assemblymember Paulin in your one-house budget bills and the final state budget.**

### **Background on PromptCare**

PromptCare's Mission centers on a simple but powerful goal:

*To enable patients with complex, chronic, and rare health conditions to live their fullest lives at home.*

PromptCare fulfills this Mission through an Infusion Division that provides infusion and specialty pharmacy services to patients, and a Respiratory Division that provides in-home respiratory and enteral nutritional care to patients. My testimony today focuses on PromptCare's Respiratory Division.

PromptCare is a provider of durable medical equipment and supplies ("DME"), specializing in high-tech ventilator and enteral nutrition care for patients across the country. Our patient population includes patients with highly complex and chronic conditions, such as Amyotrophic lateral sclerosis ("ALS" or "Lou Gehrig's Disease"), cerebral palsy, paralysis, spinal muscular atrophy, muscular dystrophy, bronchopulmonary dysplasia, etc. The majority of these patients cannot breathe and/or eat on their own, relying on "invasive ventilation" (a ventilator connected to a tracheostomy tube) and enteral nutrition fed through a gastrostomy tube. And the majority of these patients are pediatric patients. The DME that PromptCare provides is ***life-sustaining***.

Patients are commonly referred to PromptCare as part of a discharge plan following an extensive in-patient stay at a hospital or other acute care setting. PromptCare helps patients transition back to their homes to manage their disease in the setting that is undeniably the lowest cost and most convenient and comfortable for patients and their caregivers. PromptCare's clinical team of respiratory therapists and registered dietitians support the patients and their care team at home, reducing the likelihood and frequency of very costly hospital readmissions.

As a company founded and headquartered in New Jersey, New York has always been an important State for PromptCare. For the past 20 years, we have cared for thousands of New York patients. During this time, we have maintained good standing with the New York Department of Health (DOH) and New York's Medicaid program. PromptCare's Mission of caring for complex patients in the home setting has undoubtedly saved New York's Medicaid program millions of dollars per year.

### **OMIG Audit**

In 2021, the Office of the Medicaid Inspector General (OMIG) initiated an audit of PromptCare's Medicaid claims submitted from 2015-2017. Last year, OMIG issued a Final Audit Report, disallowing approximately \$40,000 worth of claims. Through the use of extrapolation, OMIG has calculated "overpayments" totaling close to \$4 million – 100 times the value of the disallowed claims. ***There is no dispute that PromptCare provided medically necessary DME to patients.*** OMIG's conclusions are based entirely on administrative, paperwork requirements.



Approximately \$3 million of the alleged overpayments turn on OMIG's interpretation of two DOH Medicaid Guidelines. **First**, about \$2.1 million of the overpayments relates to the way that doctors chose to transmit their prescriptions (also known as fiscal orders) to PromptCare. If the doctor faxed a fiscal order to PromptCare (a standard healthcare practice since the 1980s), then OMIG disallowed the claim. If the doctor transmitted the very same fiscal order through any other means – mail, hand-delivery, e-mail, portal, etc. – then OMIG did not disallow the claim. All of this despite the fact that (i) since 2009, DOH has approved fiscal orders that were “electronically transmitted” (and fax transmissions are undeniably electronic), and (ii) in 2021 (in the earliest stages of OMIG's audit), DOH expressly clarified that fax transmissions of fiscal orders is perfectly acceptable.

**Second**, approximately \$700,000 of the alleged overpayments stem from the fact that PromptCare did not require patients to be home in order to sign to accept delivery of their resupply of enteral nutrition. PromptCare strongly believes that patients should not miss life-sustaining nutritional therapy simply because they are not home or are unable to come to the door when FedEx or UPS shows up. OMIG has never contended (nor would the evidence support any findings) that PromptCare's patients did not receive their enteral nutritional therapy. Indeed, if the patients had not received it, they would have been re-hospitalized and/or suffered very negative health outcomes. PromptCare provided OMIG with FedEx/UPS proofs of delivery (a common healthcare practice for many years), but because many of the patients were not available or able to physically sign the mail carrier's tablet to accept delivery, OMIG disallowed the claims. As with the faxed prescriptions, in 2023 (during the pendency of the Audit and before OMIG had reached any conclusions), DOH updated its guidance to clarify that FedEx/UPS delivery confirmations did not require a patient's signature.

Even though there is no dispute that PromptCare provided medically necessary DME to Medicaid beneficiaries, and even though DOH has expressly authorized the documentation that PromptCare supplied to OMIG, OMIG has been unwilling to reconsider its audit findings and, more importantly, to exercise reasonable judgment on the decision to extrapolate these findings. Again, OMIG's decision to extrapolate these two findings comprises approximately \$3 million (approximately 80%) of the total overpayments assessed in the audit.

PromptCare timely requested that an Administrative Law Judge review OMIG's findings. The first round of hearings will take place next week. Nevertheless, OMIG has begun recouping the overpayments by short-paying PromptCare's claims for reimbursement for current services provided to Medicaid beneficiaries. Since the Summer of 2025, PromptCare has been receiving approximately 50% of the value of its Medicaid claims, with the balance being retained by Medicaid as a “recoupment of overpayment.” To date, OMIG has recouped more than \$1 million from PromptCare.

This case is an egregious example of OMIG overreach in its auditing practices, which leave providers caring for New York's most vulnerable residents without **any form of compensation** for vital services simply due to disagreements and, in this case, strained interpretations of DOH guidance related to administrative, record-keeping requirements. Despite commitments by the Administration in Veto 89, 2022 that OMIG would “engage the healthcare provider community” and “commit to conducting program integrity activities in a responsible manner that includes consideration of financial impacts on providers and assures continuity of care for Medicaid recipients,” Medicaid providers like PromptCare are still experiencing very troubling audits.

### **Need for Intervention**

First, I want to acknowledge the vital importance of eliminating fraud, waste, and abuse in public programs – particularly within Medicaid. The Medicaid program serves a critical mission: supporting people standing at the daunting intersection of medical need and financial insecurity. OMIG's auditing



and enforcement functions protect the integrity of the Medicaid program and, for that, PromptCare applauds OMIG. However, it is equally important to ensure that audits are conducted in a fair, reasonable, and transparent way.

As PromptCare's experience demonstrates, the unreasonable and inappropriate use of extrapolation can lead to absurd audit results where OMIG obtains a 100x multiplier on its audit findings, even in circumstances where the findings conflict with DOH guidance. Therefore, we have worked closely with Assemblymember Paulin, Senator Hackham and other legislative colleagues to develop S8949/A9553, which would prevent OMIG from using extrapolation in limited instances when DOH guidelines are updated to allow for certain administrative or documentation practices while OMIG's audit is still pending.

Because our audit is still pending, there is great urgency to include these important protections in the budget to address this issue. We respectfully ask for your help and support by including the language contained in S8949/A9553 in your one-house budget bills and to prioritize its inclusion in the SFY 2027 Final State Budget.

Thank you for your consideration of this important request. We are happy to answer any questions or provide additional information in this regard.

Respectfully,

A handwritten signature in black ink that reads "Paul Jardina".

Paul E. Jardina  
Chairman & CEO  
The PromptCare Companies, Inc.