

Staten Island Advance

Copyright © 1981 by Advance Publications Inc.

Staten Island, N.Y. Monday, March 2, 1981

UCP snagged over

excess Medicaid funds

By ANEMONA HARTOCOLLIS

United Cerebral Palsy Associations of New York State has collected some \$10.5 million in excess Medicaid reimbursements through its operation of a residential complex in Willowbrook serving the mentally retarded, according to an investigation by state Comptroller Edward V. Regan.

State mental retardation officials, who administer Medicaid funds for the complex, the Karl D. Warner Center, said yesterday that United Cerebral Palsy (UCP) has repaid \$6.9 million of the total amount owed. The agency is disputing the remaining \$3.6 million.

UCP, a non-profit agency, collected the excess funds over three years, from September 1977 through September 1980, according to the comptroller's findings — which prompted the repayment while the audit was still under way.

Regan's audit, filed last Jan. 6, is the first outside financial review of the Karl D. Warner Center since it opened in September 1977. The Advance obtained a copy of the report last week, although it has not been officially released yet.

Medicaid is a program of reimbursement fueled by state and federal tax revenues. In its first year of operation alone, the Warner Center reported \$20.2 million in expenses, \$18.6 million of which were

recovered from Medicaid.

"We have to have an absolute assurance that there's no criminality involved, no diversion of public funds for other than the use for which they were intended," James E. Introne, the state's commissioner of mental retardation, said yesterday. "The other thing we want an audit to do is provide a point in time for settling accounts."

Introne said the audit satisfied him that "there is no cause for puni-

itive action."

Efforts to reach UCP officials were unavailing yesterday. Lesser administrators deferred to Robert Schonhorn, the agency's executive director, whose secretary said he was busy in meetings.

The commissioner added that his office is currently taking bids from non-government auditing firms to conduct a supplementary review of the Warner Center to verify the \$3.6 million disputed by UCP. He said

the independent audit is expected to be completed by June 1.

Located on the sprawling grounds of the state-run Staten Island Developmental Center, Willowbrook, the Warner Center shares a small percentage of its staff and its physical plant with the larger institution.

It is UCP's responsibility to pay for Medicaid reimbursement of the shared services, but the agency

(Continued on Page A 2)