

MaineCare Recovery Audit Contract

Presentation to

PAG/TAG

2/14/2013

Agenda

- Introductions
- RAC Contract Overview
- HMS Overview
- RAC Audit Approach
- Provider Communications

RAC Contract Overview

- Required under PPACA (Section 6411)
- DHHS selected Health Management Systems (HMS)
- Identify overpayments and underpayments
- 3 year look back
- Follow MaineCare audit guidelines and process
- Coordinate with DHHS and other government auditors

RAC Contract Overview (cont.)

- DHHS to approve:
 - Improper payment targets
 - Claim selection
 - Provider selection
 - Audit approach
 - Audit findings
 - Correspondence and communications
- Ongoing provider outreach and communication
- Ensure a thorough and fair review is conducted by skilled staff

HMS Overview

- Medicaid RAC contractor in 31 states
- Medicaid Program Integrity audits in 42 states
- Medicaid hospital audits:
 - Clinical reviews: 7 states
 - Financial/Billing reviews: 18 states
- Multiple contracts with DHHS since 1991
- Currently conducting financial audits of ME hospitals to identify MaineCare overpayments (credit balances)

Areas for Potential Audits

- Dental Services- Record requests have been sent and returned. Records and claims are currently under review.
- Hospital Inpatient Services and CT Scans
- Durable Medical Equipment and Supplies
- Pharmacy Services
- Therapy Services (PT, OT, ST)
- End Stage Renal Dialysis
- HMS will also work with Digital Harbor their sub-contractor to do data mining using common algorithms. A couple of examples might be services delivered after death and outpatient services delivered while in an inpatient setting.

Hospital RAC Audits

- Two types:
 - Automated (no records required from provider)
 - Complex/Clinical (records required)
- Possible targets:
 - DRG Assignment
 - Appropriateness of Setting
 - Medical Necessity
 - Readmissions and Transfers
- Knowledgeable review staff:
 - Medical Director (Maine-based and licensed)
 - Registered Nurses
 - Certified Coders
 - Physician Reviewers

Audit Process



Analysis And Targeting

- Regulatory and Policy Review
- Data Analysis and Testing
- Target Claims and Draft Approach
- DHHS Approval – Claim Selection and Audit Approach



Record Request

- Provider Contact
- Record Request - 30 Day Response
- Electronic and Paper Records Accepted
- DHHS Approval – Provider Selection and Record Count



Review/Audit

- Review to policies and guidelines
- RN/Coder Review; Physician Referral
- Overpayment Calculation and Rationale
- DHHS Approval – Initial Findings

Audit Process (cont.)



Results

- Initial Findings Letter Sent – 14 Day Response
- HMS Reviews Additional Documentation
- Notification of Violation (NOV) Prepared
- DHHS Approval - NOV Letters/Findings



Appeals & Recovery

- Recovery (Check or Offset) - 61st Day (if no appeal)
- Informal Review - 60 Days from NOV Date
- HMS Reviews Additional Documentation
- Final Informal Review Decision (FIRD)
- DHHS Approval – FIRD Letters/Findings
- Administrative Appeal – 60 Days from FIRD Date

Medicare vs. Medicaid RAC

Medicare RACs	Medicaid RACs
Administered by CMS	Administered by states
One billing and reimbursement policy	50+ different billing and reimbursement policies
Standard approach to providers	Follow state approach/guidelines
Recoupment via offset	Check or Offset
Limited coordination	Must coordinate with Medicaid agency and other audit efforts—MFCU, OIG, OAG, MIC

Communications/Education

- Introductory Meetings
 - Met with Maine Dental Association
 - Met with Maine Hospital Association
- Provider Bulletins
- Email Blasts
- HMS Provider Relations (Toll-Free Number)
- Websites
- Audit Findings

Questions/Contact Info

- **Contact Information:**
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