

Affected Programs: BadgerCare Plus, Medicaid
To: All Providers, HMOs and Other Managed Care Programs

Centers for Medicare and Medicaid Services to Begin Auditing Medicaid Providers

Within the next few months, certain Wisconsin Medicaid providers will be receiving audit announcement letters for the contractor selected by Centers for Medicare and Medicaid Services to conduct audits of Medicaid claims.

Background

Section 1936 of the Social Security Act created the Medicaid Integrity Program (MIP) and directed the Centers for Medicare and Medicaid Services (CMS) to enter into contracts to review Medicaid provider actions, audit claims, identify overpayments, and educate providers and others on Medicaid program integrity issues.

Audit Medicaid Integrity Contractors

Audit Medicaid Integrity Contractors (Audit MICs) are entities with which CMS has contracted to perform audits of Medicaid providers. The overall goal of the provider audits is to identify overpayments and to ultimately decrease the payment of inappropriate Medicaid claims. At the direction of CMS, the Audit MICs will audit Medicaid providers throughout the country. The audits will ensure that Medicaid payments are for covered services that were actually provided and properly billed and documented. Audit MICs will perform field audits and desk audits. Audits have begun in CMS Regions III and IV and will be expanded to all states and territories. The audits are being conducted under Generally Accepted Government Auditing Standards.

Affected Providers

Any Medicaid provider may be audited, including, but not limited to, fee-for-service providers, institutional and non-institutional providers, as well as managed care entities.

Selection Process

Providers usually will be selected for audits based on data analysis by other CMS contractors referred to as Review Medicaid Integrity Contractors (Review MICs). They also will be referred by state agencies. The CMS will ensure that its audits neither duplicate state audits of the same providers nor interfere with potential law enforcement investigations.

Providers Who Receive a Notification Letter of Impending Audit

Providers should gather the requested documents as instructed in the notification letter. Centers for Medicare and Medicaid Services contractors have the authority to request and review copies of provider records, interview providers and office personnel, and have access to provider facilities. Requested records must be made available to the Audit MICs within the requested timeframes. Generally, providers will have at least two weeks before the start of an audit to make their initial production of documents to the Audit MICs.

In obtaining documents, Audit MICs will be mindful of state-imposed requirements concerning record production. Moreover, Audit MICs may accommodate reasonable

requests for extensions on document production so long as neither the integrity nor the timeliness of the audit is compromised. The Audit MICs will also contact the provider to schedule an entrance conference. Notification letters will identify a primary point of contact at the Audit MIC if there are specific questions about the notification letter or the audit process.

Process After Completion of the Audit

The Audit MIC will prepare a draft audit report, which will first be shared with the state and thereafter with the provider. The state and the provider each will have an opportunity to review and comment on the draft report's findings. The CMS will consider these comments and prepare a revised draft report.

The CMS will allow the state to review the revised draft report and make additional comments. Thereafter, CMS will finalize the audit report, specify any identified overpayment, and send the final report to the state. The state will pursue the collection of any overpayment in accordance with state law. Providers have full appeal rights under state law. The Audit MICs will be available to provide support and assistance to the states throughout the state adjudication of the audit.

Wisconsin AdvanceMed and Health Integrity

In Wisconsin, AdvanceMed has been selected as the Review MIC and Health Integrity has been selected as the Audit MIC.

For More Information

For information on the Medicaid Integrity Program, please visit www.cms.bhs.gov/MedicaidIntegrityProgram/ or e-mail Medicaid_Integrity_Program@cms.bhs.gov.

The *ForwardHealth Update* is the first source of program policy and billing information for providers.

Wisconsin Medicaid, BadgerCare Plus, SeniorCare, and Wisconsin Chronic Disease Program are administered by the Division of Health Care Access and Accountability, Wisconsin Department of Health Services (DHS). The Wisconsin Well Woman Program is administered by the Division of Public Health, Wisconsin DHS.

For questions, call Provider Services at (800) 947-9627 or visit our Web site at www.forwardhealth.wi.gov/.

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