

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

## **Centers for Medicare and Medicaid Services- Mandated Recovery Audit Contractor to Begin Auditing**

The Wisconsin Department of Health Services has awarded the contract to Health Management Systems, Inc. (HMS) as the Recovery Audit Contractor for the state of Wisconsin.

### **Background**

The Affordable Care Act requires states to establish a Recovery Audit Contractor (RAC) program to enable the auditing of Medicaid claim payments to providers. In Wisconsin, the RAC will audit claim payments from Wisconsin Medicaid and BadgerCare Plus. The Wisconsin Department of Health Services has awarded the contract to Health Management Systems, Inc. (HMS) as the RAC for the state of Wisconsin.

*Note:* The RAC will not audit claims submitted for Family Planning Only Services, SeniorCare, the Wisconsin Chronic Disease Program, the Wisconsin Well Woman Program, and the Wisconsin AIDS/HIV Drug Assistance Program.

### **Recovery Audit Contractors**

The overall goal of the RAC program is to identify and decrease improper payments. The audits will ensure that payments are for services covered under the programs in which the member was enrolled and that the services were actually provided and properly billed and documented. The audits are being conducted under Generally Accepted Government Auditing Standards.

### **Affected Providers**

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

### **General Information Regarding Recovery Audit Contractor Audits**

Providers will be selected for audits based on data analysis by the RAC and referrals by state agencies. The RAC 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 regarding an audit should follow the instructions as outlined in the notification within the requested time frames. The RAC has the authority to request and review copies of provider records, interview providers and office personnel, and have access to provider facilities.

The notification will identify a primary point of contact at the RAC if there are specific questions about the letter or audit process.

The RAC or state will pursue the collection of any overpayment in accordance with state law. Providers have full appeal rights under state law as outlined in the Notice of Intent to Recover letter.

Any questions regarding the RAC program should be directed to HMS at (800) 310-0865. Additional information regarding HMS RAC activities is available at [www.medicaid-rac.com/](http://www.medicaid-rac.com/).

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 AIDS/HIV Drug Assistance Program and the Wisconsin Well Woman Program are 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/](http://www.forwardhealth.wi.gov/).

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