Illinois Medicaid Recovery Audit Contract (RAC) Overview
Webinar Goals

► Provide information
  • Introduction to HMS
  • Illinois Medicaid RAC Program

► Details on HMS Review Process
  • Scenario Methodology
  • Approach & Overview
  • Review Process

► Answer Common Questions
Lara Wright Megless – HMS Program Director
HMS’s Mission: We work passionately to increase the value of the healthcare system for members, payers, and sponsors. Our solutions drive payment / clinical accuracy and quality so that healthcare dollars can benefit more people.

HMS’s Vision: To power the healthcare system with integrity.
Medicare Modernization Act of 2003 created a demonstration project to identify Medicare overpayments

- The demonstration project was operational from 2005 through 2007
- The program was made permanent in 2008

Section 6411(a) of the Affordable Care Act expanded RAC to Medicaid.

- Identification of improper payments
- Coordination of audit efforts with State audit efforts
- Education to providers
HMS-Medicaid RAC Approach

Identify improper payments through analysis of paid Medicaid Claims.

Deliver results grounded in quality, integrity and accuracy to policy.

Partner with the Single State Agency to ensure a fair and consistent process.

Ensure clear, concise, and timely communication with providers.

Afford all providers their rights to appeal.
HMS Medicaid RAC Scenario Life Cycle

1. Potential improper payments identified & letters mailed
2. Provider Reconsideration/Appeals & Offset
3. Scenario Analysis, System Remediation, Provider Education
4. HFS Policy Review
5. Claims Data Mining (Based on Policy Guidelines)
6. Improper Payment Scenario Approval from HFS
7. Automated (Desk) & Complex (Field) Reviews
Types of Reviews – Automated (Desk)

- **Automated Review** is applied in scenarios where improper payments can be identified clearly and unambiguously.

1. Preliminary Findings
2. Reconsideration (if applicable)
3. Final Notice of Recovery
Types of Reviews – Complex (Field)

- **Complex Review** is required when analysis identifies a potential improper payment that cannot be automatically validated.

1. Records Request
2. Preliminary Findings
3. Reconsideration (if applicable)
4. Final Notice of Recovery
Review Process Scope & Timing

- **Look back period:** up to 3 years from the date of service
- **Scope:** The scope of the RAC contract includes all provider types
- **Initial records request for field audit (complex):** Submit records to HMS no later than 21 calendar days from the date the records request letter is received.
- **When a field (complex) audit Preliminary Findings letter is issued:** Submit reconsideration records and documentation to HMS no later than 30 days from the date the Preliminary Findings letter is received, if applicable.
- **When a desk (automated) audit Preliminary Findings letter is issued:** Submit Reconsideration documentation, if applicable, to HMS no later than 30 days from the date the Preliminary Findings letter is received.
- **Current HFS appeals process will be utilized**
- **Recoupment:** The recoupment process only begins after the audit has been finalized and the provider has had an opportunity to submit reconsideration documentation or appeal.
### Desk (automated)

**Agree** - submit Payment Agreement to HMS, claims will be submitted to HFS for offset on future remittance

**Disagree** - 30 Days to submit Reconsideration documentation in response to Preliminary Findings Letter

Continued disagreement after receipt of Final Notice of Recovery letter - 60 days to submit appeal request to State of IL

### Field (complex)

21 Days to submit medical records (fax or mail paper, or mail CD/DVD)

60 Days for HMS to review and notify via Preliminary Findings Letter

**Disagree** - 30 Days to submit Reconsideration documentation in response to Preliminary Findings Letter

Agree – submit Payment Agreement to HMS, claims will be submitted to HFS for offset on future remittance

Continued disagreement after receipt of Notice of Recovery letter - 60 days to submit appeal request to State of IL
Approved Scenarios – Automated (Desk)

- DME During LTC
- Incorrect Discharge Status Code
- Not a New Patient
- Preadmission Testing
- Office Visit during Inpatient
Approved Scenarios – Complex (Field)

Inpatient Hospital Review – Appropriateness of Setting
Focused Provider Relations

► Outreach & Education
  • Attend provider association meetings
  • Communication through webinars, HMS RAC website, and newsletters

► Transparency
  • Schedule of events and upcoming audits listed on www.medicaid-rac.com/illinois-providers
Resources

► IL Provider Specific Website
  www.medicaid-rac.com/illinois-providers

► IL Provider Specific 800 # - 1(855) 699-6292
IL RAC INFORMATIONAL DOCUMENTATION

- IL RAC Overview Presentation (PDF)

IL RAC PROVIDER EDUCATION UPCOMING EVENTS

- Check back often for our next event.

CONTACT INFORMATION

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Contact Us
After the Webinar

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