

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Department of Health Care Finance**



Office of the Director

DHCF Transmittal #09-02

TO: District of Columbia Medicaid Fee-for-Service Providers

FROM: Julie Hudman, Ph.D. *John M. Canterbury Sr*  
Acting Director  
Department of Health Care Finance

DATE: February 6, 2009

SUBJECT: **IMPORTANT: Required Provider Cooperation in Federal Audits**

Starting February 2009, two federal audits of providers enrolled in the District of Columbia's (DC) Medicaid program will begin. The audits will review claims submitted by providers to DC's Medicaid Program. If included in these audits, you will receive a phone call or letter instructing you to send medical records related to a specific claim; and/or give access to your office/facility to review office records and interview office personnel.

Per your DC Medicaid provider agreement, providers are required to cooperate with medical record requests and allow auditors to conduct on-site reviews. A brief description of the two audits is below:

<b>Audit</b>	<b>Payment Error Rate Measurement (PERM)</b>	<b>Medicaid Integrity Program (MIP)</b>
<b>Provider Actions</b>	Submit medical records for specific claims by requested timeframe	Allow for on-site audit of office records, interviews with office staff, and /or submit medical records for specific claims by requested timeframe
<b>Time Frames</b>	Sixty (60) days after receipt of audit letter	Two (2) weeks after receipt of audit letter
<b>Cycle</b>	Conducted every three (3) years	On-going
<b>Penalties for Non-Compliance</b>	Suspension of payment or terminated enrollment in DC's Medicaid program	Suspension of payment or terminated enrollment in DC's Medicaid program

**Failure to fully comply with the PERM and/or MIP audits may result in suspension of payment or termination from DC's Medicaid program.**

Should you have any questions or need additional information, please contact Dena Hasan, Public Health Analyst, Office of Quality Management and Program Integrity, DHCF, on (202) 724-4178 or via e-mail at [Dena.Hasan@dc.gov](mailto:Dena.Hasan@dc.gov).