THE DHCF RECOVERY AUDIT PROGRAM
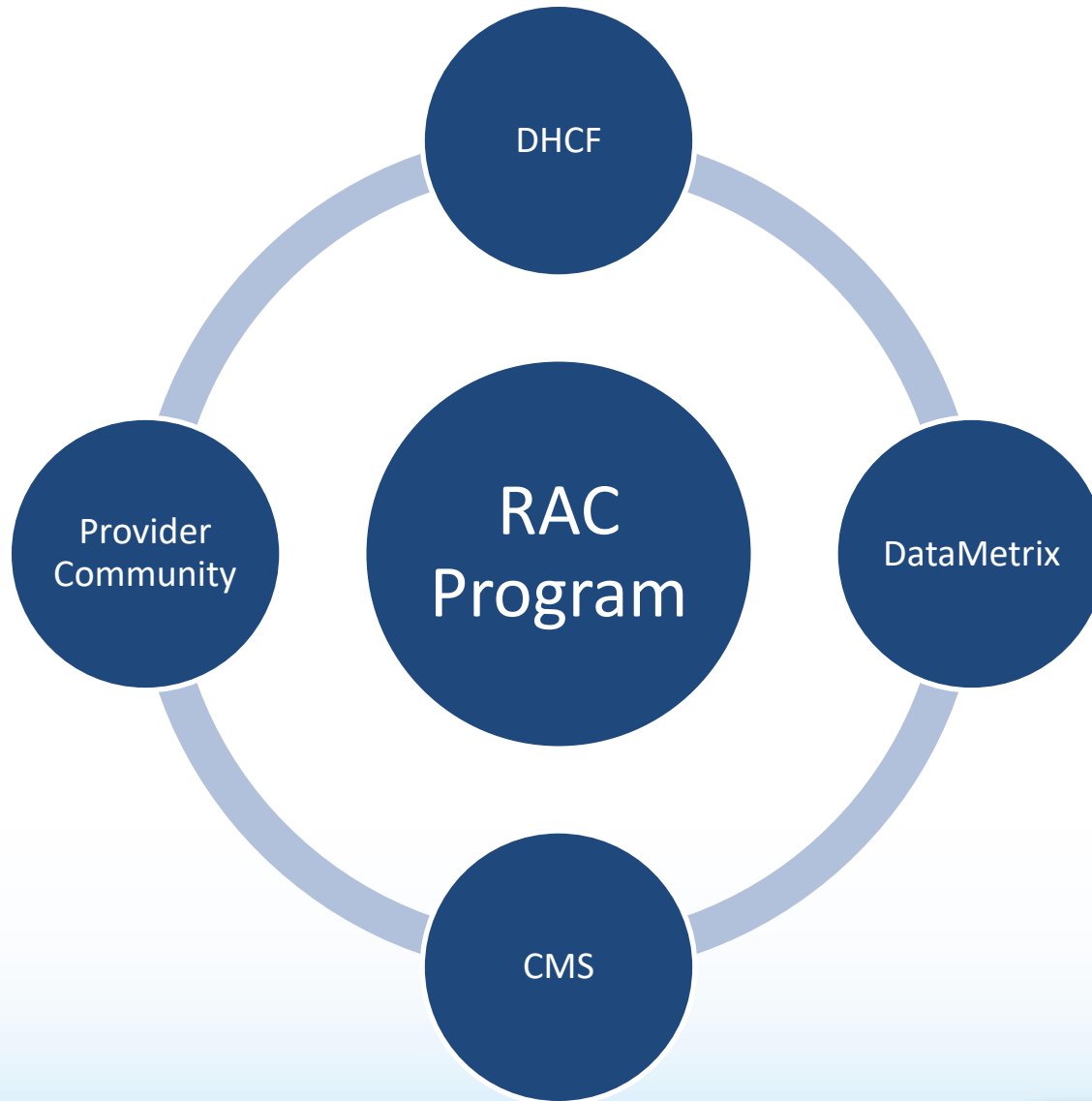
Applying Data Intelligence to Healthcare Financial Management

PROVIDER OUTREACH WEBINAR
NOVEMBER 2016

- OVERVIEW OF THE RAC PROGRAM

- CURRENT AUDITS IN PROGRESS

- RAC CORRESPONDENCE & COMMUNICATIONS

STAKEHOLDERS

OVERVIEW OF THE RAC PROGRAM

42 CFR 455.502 Establishment of program

a) The Medicaid Recovery Audit Contractor program (Medicaid RAC program) is established as a measure for States to promote the integrity of the Medicaid program

b) States must enter into contracts, consistent with State law and in accordance with this section, with one or more eligible Medicaid RACs to carry out the activities described in § 455.506 of this subpart

c) States must comply with reporting requirements describing the effectiveness of their Medicaid RAC programs as specified by CMS

Role of DataMetrix

- The Recovery Audit Contractor (RAC) Program is a *supplemental approach* to Medicaid program integrity efforts

- The RAC's objective is the *reduction of improper payments* through the efficient detection and collection of overpayments and identification of underpayments

- *Outreach and training* for the provider community on the audit process and strategies for correcting future billing errors

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- ## Audit types:

  - **Complex Reviews:**
    - Audits performed by qualified and credentialed professionals through a comprehensive review of medical records/documentation resulting in:

      - decision regarding claim reimbursement of an improper payment (over/under payments)

    Or

      - determination that the claim was paid accurately (no finding)

  - **Automated Reviews:**
    - Audits performed by an automated review:

      - result of clearly identifiable non-covered services, or incorrect applications of coding rules, or service limits

      - audits do not require a medical record to determine an improper payment (over/under payments)

- **Initial Hospital Inpatient Care**
  - **Purpose of Audit:** The purpose of this automated review is to validate that the claims coded and billed by the providers and paid by DHCF are correct for Initial Hospital Inpatient Care
  - **Audit Result:** Hospitalizations for beneficiaries with more than one "Initial Hospital Inpatient Care" Code per hospitalization will be fully recouped

- **Add On Codes**
  - **Purpose of Audit:** The purpose of this automated review is to validate that the claims coded and billed by the providers and paid by DHCF are not being overpaid for add-on codes when the required primary procedure either was not reported or was not paid
  - **Audit Result:** Claims that have add on codes without a required primary procedure reported or not paid will be reviewed as an overpayment

- **New Patient Visits**
  - **Purpose of Audit:** The purpose of this automated review is to validate that the claims coded and billed by the providers and paid by DHCF are correct for new patient visits; to identify incorrect payments associated with the same provider or provider group with the same specialty and subspecialty billing more than one new patient Evaluation and Management code within a 3 year period of time
  - **Audit Result:** Claims with more than one new patient visit reimbursed to any participating physician or group for the same recipient within the past three years will be fully recouped

The DC regulations used to support these audits are identified within the correspondence sent by DataMetrix

- DHCF issued, on March 17th 2015,Transmittal #15-08 :
  - *"Clarification of DHCF's Coding requirements for certain Hospital Claims by Physician and Non-Physician Practitioners"*

- DHCF allowed Providers to send additional documentation until April 17th 2015

- DataMetrix will close out the Automated Reviews by sending Final Recoupment Letters where appropriate

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- DataMetrix will increase the number of provider webinars

- DataMetrix will identify vulnerable claims based on DC Medicaid regulation

- DataMetrix will coordinate with DHCF to ensure minimal provider disruption

RAC CORRESPONDENCE AND COMMUNICATIONS

Medical Record Request (MRR)

A letter sent by DataMetrix to a provider requesting certain medical records to assist with the audit. Providers have **thirty (30) calendar days from the date of this letter** to send in the Medical Record to DataMetrix (unless otherwise indicated in DC Municipal Regulations).

If requested, Providers may receive an extension of **fifteen (15) additional calendar days .**

Proposed notice of determination of Medicaid overpayment Letter

A letter notifying an improper payment and dollar value, or a No Finding, or an error for lack of documentation. This notification will indicate how the Provider can enter into a discussion period with DataMetrix.

In accordance with § 1306.4 of Title 29 DCMR, within **thirty (30) days** of the date of this letter, providers may submit additional documentary evidence and written argument against the proposed overpayment.

Final Notice of determination of Medicaid Overpayment Letter

A letter notifying an improper payment and dollar value. This notification is sent after a Proposed notice of determination of Medicaid overpayment Letter and discussion period.

In accordance with § 1307.8 of Title 29 DCMR, Providers have the right to appeal this decision. Providers must file a written request for a hearing before an administrative law judge within **fifteen (15) calendar days** of receipt of this notice.

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RAC CORRESPONDENCE AND COMMUNICATIONS

Medical Record Request	Proposed notice of determination of Medicaid overpayment Letter	Final Notice of determination of Medicaid Overpayment Letter
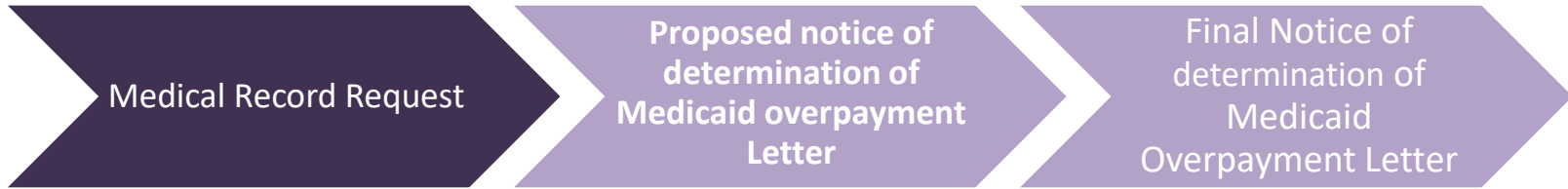
- **Volume of Record Request:**
  - DataMetrix identifies vulnerable claims based on DC Medicaid regulation
  - DataMetrix selects the vulnerable claims to Audit and seeks approval from the DHCF Contract Administrator

- **Validate your Contact Information by:**
  - Ensure your organization identifies one point of contact person
  - Submit contact information via e-mail to DHCFRecoveryAudit@data-metrix.com
  - If changes in point of contact or contact information occur, immediately notify DataMetrix's Provider Communications Department via mail, email, or fax

DataMetrix, Inc..
Attn: DHCF Recovery Audit
32 West 200 South #503
Salt Lake City, UT 84101
Phone: 866-880-0608 Fax: 888-904-8842

| Medical Record Request	Proposed notice of determination of Medicaid overpayment Letter	Final Notice of determination of Medicaid Overpayment Letter

- **Discussions/Rebuttals:**

Initiates a discussion period between DataMetrix and the Providers. Providers may respond in writing during the rebuttal period to communicate disagreement with DataMetrix's decision, provide additional documentary evidence, or inquire about the findings:

- Providers have **thirty (30) days from the Proposed notice of determination of Medicaid overpayment Letter**

- to initiate a discussion of DataMetrix's decision. If a provider decides to engage in the discussion, he or she should:
  - Send DataMetrix the Claim Control Numbers being rebutted
  - Include relevant documentary evidence to support request
  - Fax or mail listed information above to DataMetrix's Provider Communications to begin the discussion process

- Initiating a discussion does not limit the Provider's right to request an Administrative Hearing

RAC CORRESPONDENCE AND COMMUNICATIONS

| Medical Record Request | Proposed notice of determination of Medicaid overpayment Letter | Final Notice of determination of Medicaid Overpayment Letter |
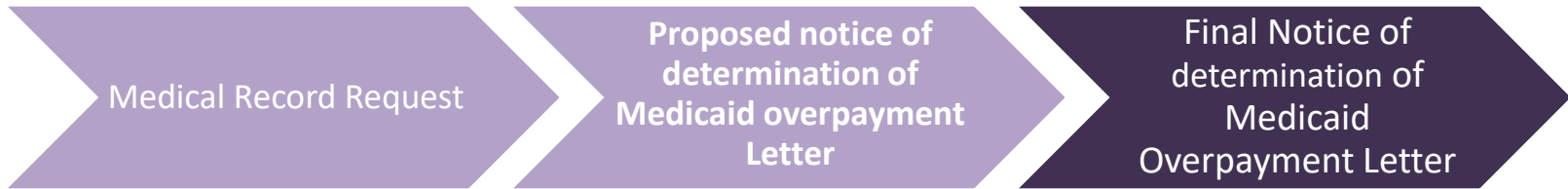
- **Appeals:**
  - Providers may request an appeal with the office of the Administrative Hearing for review of claims denied and upheld in discussion review by DataMetrix
  - Providers have **fifteen (15) calendar days** to request an appeal from the receipt of the notice
  - Instructions for requesting an Appeal with an administrative law judge will be included in the final recoupment letter to the provider

- **Final Outcome:**
  - After the appeal period, should the administrative judge reverse the DataMetrix improper payment finding, the audit is closed and no action is required from the Provider
  - After the appeal period, should the administrative judge uphold the DataMetrix improper payment finding, DHCF will offset the improper payment against future payments to the provider

DataMetrix

CONTACT INFORMATION

DataMetrix's Provider Communications Department
Phone: 866-880-0608
Fax: 888-904-8842
Email: DHCFRecoveryAudit@data-metrix.com

Mail:
DataMetrix, Inc..
Attn: DHCF Recovery Audit
32 West 200 South #503
Salt Lake City, UT 84101

- DataMetrix provides a toll-free customer service number in all correspondence to the Providers
- Business hours of the Customer Service Center are from 8:00am to 4:30pm Eastern Standard Time
- DataMetrix customer service representatives are knowledgeable of the DHCF Recovery Audit Program
- DataMetrix notifies all callers that the call may be monitored for quality assurance purposes

QUESTIONS?

DataMetrix