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PROPOSED SECTION 4 - GENERAL PROGRAM ADMINISTRATION

<p><u>Citation</u></p> <p>Section 1902(a)(42)(B)(i) of the Social Security Act</p>	<p><input checked="" type="checkbox"/> The State has established a program under which it will contract with one or more recovery audit contractors (RACs) for the purpose of identifying underpayments and overpayments of Medicaid claims under the State plan and under any waiver of the State plan.</p> <p><input type="checkbox"/> The State is seeking an exception to establishing such program for the following reasons:</p>
<p>Section 1902(a)(42)(B)(ii)(I) of the Act</p>	<p><input checked="" type="checkbox"/> The State/Medicaid agency has contracts of the type(s) listed in section 1902(a)(42)(B)(ii)(I) of the Act. All contracts meet the requirements of the statute. RACs are consistent with the statute.</p> <p>Place a check mark to provide assurance of the following:</p> <p><input checked="" type="checkbox"/> The State will make payments to the RAC(s) only from amounts recovered.</p> <p><input checked="" type="checkbox"/> The State will make payments to the RAC(s) on a contingent Basis for collecting overpayments.</p>
<p>Section 1902 (a)(42)(B)(ii)(II)(aa) of the Act</p>	<p>The following payment methodology shall be used to determine State payments to Medicaid RACs for identification and recovery of overpayments (e.g., the percentage of the contingency fee):</p> <p><input checked="" type="checkbox"/> The State attests that the contingency fee rate paid to the Medicaid RAC will not exceed the highest rate paid to Medicare RACs, as published in the Federal Register.</p> <p><input type="checkbox"/> The State attests that the contingency fee rate paid to the Medicaid RAC will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will only submit for FFP up to the amount equivalent to that published rate.</p>

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Section 1902 (a)(42)(B)(ii)(II)(bb) of the Act	<p>_____ The contingency fee rate paid to the Medicaid RAC that will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will submit a justification for that rate and will submit for FFP for the full amount of the contingency fee.</p> <p><u>X</u> The following payment methodology shall be used to determine State payments to Medicaid RACs for the identification of underpayments (e.g., amount of flat fee, the percentage of the contingency fee):</p> <p>100% of the contingency fee will be paid to Medicaid RACs.</p>
Section 1902 (a)(42)(B)(ii)(III) of the Act	<p><u>X</u> The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).</p>
Section 1902 (a)(42)(B)(ii)(IV)(aa) of the Act	<p><u>X</u> The State assures that the amounts expended by the State to carry out the program will be amounts expended as necessary for the proper and efficient administration of the State plan or a waiver of the plan.</p>
Section 1902(a)(42)(B)(ii)(IV)(bb) of the Act	<p><u>X</u> The State assures that the recovered amounts will be subject to a State's quarterly expenditure estimates and funding of the State's share.</p>
Section 1902 (a)(42)(B)(ii)(IV)(cc) Of the Act	<p><u>X</u> Efforts of the Medicaid RAC(s) will be coordinated with other contractors or entities performing audits of entities receiving payments under the State plan or waiver in the State, and/or State and Federal law enforcement entities and the CMS Medicaid Integrity Program.</p>

TN No. _____
Supersedes
TN No. NEW

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OS Notification

State/Title/Plan Number: District of Columbia State Plan Amendment (SPA) 11-03

Type of Action: Approval of State Plan Amendment

Effective Date of SPA: April 1, 2011

Required Date for State Notification: June 22, 2011

Fiscal Impact: FY 2011: \$0 – FFP; FY 2012: \$ 0 – FFP.

Number of Services Provided by Enhanced Coverage, Benefits or Retained Enrollment: 0

Number of Potential Newly Eligible People: None

or

Eligibility Simplification: None

Provider Payment Increase or Decrease: No

Delivery System Innovation: No

Number of People Losing Medicaid Eligibility: None

Reduces Benefits: No

Beneficiary Impact: None

Detail: The District of Columbia submitted this amendment to establish programs to contract with one or more Medicaid Recovery Audit Contractors (RACs) in accordance with Section 6411 of the Affordable Care Act. The purpose of the Medicaid RAC is to identify overpayments and underpayments and to recoup overpayments under the State Plan and under any waiver of the State Plan.

Other Considerations: This is a routine and non-controversial SPA. We do not recommend a call to the Mayor.

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Recovery Act Impact: This SPA was reviewed in conjunction with the Recovery Act, and, based on the information provided by the State regarding: 1) MOE; 2) local match; 3) prompt pay; 4) rainy day funds, and 5) eligible expenditures, the State is not in violation of the Recovery Act requirements noted above.

Tribal Consultations: The District of Columbia does not have any federally recognized Indian tribes or Urban Indian Organizations. Therefore, the tribal consultation requirements do not apply.