

Revision:

State Florida**PROPOSED SECTION 4 - GENERAL PROGRAM ADMINISTRATION****4.5b Medicaid Recovery Audit Contractor Program**

<u>Citation</u>	<p><input 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>
Section 1902(a)(42)(B)(i) of the Social Security Act	<p><input 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>
Section 1902(a)(42)(B)(ii)(I) of the Act	<p><input checked="" type="checkbox"/> The State is seeking an exception to establishing such program for the following reasons:</p>
Section 1902(a)(42)(B)(ii)(I) of the Act	<p>The Medicaid RAC Final rule at 42 CFR §455.506(a)(1) provided that "States may exclude managed care claims from review by Medicaid RACs."</p>
Section 1902(a)(42)(B)(ii)(I) of the Act	<p>In 2011, Florida adopted legislation to expand its Medicaid managed care delivery system statewide. To facilitate the expansion, Florida submitted waivers, renewals to existing waivers and State Plan amendments (SPAs). CMS is currently reviewing waivers and renewal requests. In August 2011, there were 2,966,294 Medicaid recipients in Florida with approximately 47% enrolled in managed care organizations. If Florida is granted approval for its waivers by CMS, approximately 85% of the Florida Medicaid populations will be enrolled in managed care.</p>
Section 1902(a)(42)(B)(ii)(I) of the Act	<p>This SPA will be in effect for one year after its approval date. At that time, Florida will submit to CMS either:</p>
Section 1902(a)(42)(B)(ii)(I) of the Act	<p>a) A new request for an exemption; or b) A SPA establishing a Medicaid RAC program.</p>
Section 1902(a)(42)(B)(ii)(I) of the Act	<p><input 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>
Section 1902(a)(42)(B)(ii)(I) of the Act	<p>Place a check mark to provide assurance of the following:</p>
Section 1902(a)(42)(B)(ii)(I) of the Act	<p><input type="checkbox"/> The State will make payments to the RAC(s) only from amounts recovered.</p>
Section 1902(a)(42)(B)(ii)(I) of the Act	<p><input type="checkbox"/> The State will make payments to the RAC(s) on a contingent Basis for collecting overpayments.</p>
Section 1902(a)(42)(B)(ii)(I) of the Act	<p>The following payment methodology shall be used to determine State payments to Medicaid RACs for identification and recovery of</p>

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<p>Section 1902 (a)(42)(B)(ii)(II)(bb) of the Act</p>	<p>overpayments (e.g., the percentage of the contingency fee):</p> <p>_____ 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>Section 1902 (a)(42)(B)(ii)(III) of the Act</p>	<p>_____ 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>
<p>Section 1902 (a)(42)(B)(ii)(IV)(aa) of the Act</p>	<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>Section 1902 (a)(42)(B)(ii)(IV)(bb) of the Act</p>	<p>_____ 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>_____ The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).</p>
<p>Section 1902 (a)(42)(B)(ii)(IV)(cc) Of the Act</p>	<p>_____ 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>
	<p>_____ 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> <p>_____ 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>