

Table of Contents

State/Territory Name: KS

State Plan Amendment (SPA) #: 17-0001

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Summary Form (with 179-like data)
- 3) Approved SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 East 12th Street, Suite 355
Kansas City, Missouri 64106



Division of Medicaid and Children's Health Operations

April 17, 2017

Mike Randol
Division Director and Medicaid Director
Kansas Department of Health and Environment
Division of Health Care Finance
900 SW Jackson Street, Room 900N
Topeka, KS 66612

Dear Mr. Randol:

On January 18, 2017, the Centers for Medicare & Medicaid Services (CMS) received Kansas' State Plan Amendment (SPA) transmittal #17-001, which establishes an exception from the requirement to participate in the Recovery Audit Contractor (RAC) program.

Based upon the information received, we are now ready to approve SPA #17-001 as of April 13, 2017, with an effective date of January 1, 2017, as requested by the State.

Enclosed is a copy of the CMS-179 form, as well as the approved page for incorporation into the Kansas State Plan.

If you have any questions regarding this amendment, please contact Michala Walker at (816) 426-5925.

Sincerely,

4/17/2017

Megan K. Buck
Acting Associate Regional Administrator
for Medicaid and Children's Health Operations

Signed by: Megan K. Buck -A

Enclosure

cc:
Kim Tjelmeland
Bobbie Graff – Hendrixson
Fran Seymour-Hunter

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER:
KS 17-001

2. STATE
Kansas

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 1, 2017

5. TYPE OF PLAN MATERIAL (*Check One*)

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION
42 CFR 455-516

7. FEDERAL BUDGET IMPACT
a. FFY 2017 \$6,441.67
b. FFY 2018 \$4,704.90

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Section 4.5, Page 36b

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*)

Section 4.5, Page 36b

10. SUBJECT OF AMENDMENT

Medicaid Recovery Audit Contractor Program (RAC)

11. GOVERNOR'S REVIEW (*Check One*)

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:
Michal Randol is the
Governor's Designee

12. SIGNATURE OF STATE AGENCY OFFICIAL



13. TYPED NAME
for Michael Randol

14. TITLE
Director, Division of Health Care Finance

15. DATE SUBMITTED
January 18, 2017

16. RETURN TO

Michael Randol, Director
KDHE, Division of Health Care Finance
Landon State Office Building
900 SW Jackson, Room 900-N
Topeka, KS 66612-1220

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED
January 18, 2017

18. DATE APPROVED
April 13, 2017

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL
January 1, 2017

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

Megan K. Buck

22. TITLE

Acting Associate Regional Administrator
for Medicaid and Children's Health Operations

23. REMARKS

Revision:

State Kansas

PROPOSED SECTION 4 - GENERAL PROGRAM ADMINISTRATION

<div data-bbox="185 430 602 907"> <p><u>Citation</u></p> <p>Section 1902(a)(42)(B)(i) of the Social Security Act</p> </div> <div data-bbox="185 907 602 1369"> <p>Section 1902(a)(42)(B)(ii)(I) of the Act</p> </div> <div data-bbox="185 1369 602 1938"> <p>Section 1902 (a)(42)(B)(ii)(II)(aa) of the Act</p> </div>	<div data-bbox="602 430 1505 770"> <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> <p><input checked="" type="checkbox"/> The State is seeking an exception to establishing such program for the following reasons:</p> </div> <div data-bbox="602 770 1505 1276"> <p>Under the state’s predominately managed care delivery system, there is not sufficient fee-for-service claims volume to attract a RAC contractor. The State has mitigated the need for the RAC contractor through the following agreements and processes:</p> <ul style="list-style-type: none"> • Credit Balance Audit: FFS and managed care audit. • Managed Care Organizations (MCO’s): Special Investigation Unit (SIU’s) - managed care provider. • Hewlett Packard Enterprise (HPE) Survey Utilization Review Subsystem (SURS): FFS provider reviews. • Unified Program Integrity Contractor (UPIC): FFS or managed care. • Evaluating accessing the Healthcare Fraud Prevention Partnership (HFPP). </div> <div data-bbox="602 1276 1505 1938"> <p>The State requests the exception for a period of two years.</p> <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> <p>Place a check mark to provide assurance of the following:</p> <p><input type="checkbox"/> The State will make payments to the RAC(s) only from amounts recovered.</p> <p><input type="checkbox"/> The State will make payments to the RAC(s) on a contingent Basis for collecting overpayments.</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> </div>
--	---