4.5 Medicaid Recovery Audit Contractor Program

Citation
Section 1902(a)(42)(B)(i)
of the Social Security Act

☒ 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.

☒ The State is seeking an exception to establishing such program for the following reasons: no later than June 1, 2012, Maine will a RAC contract in place that will adhere to the attestations in this SPA.

The State of Maine is requesting an exemption to the 3 (three) year look back period defined in 42 42 CFR 455.508(f) – Eligibility Requirement for Medicaid RACs. The State seeks a 5 (five) year look back period for its retrospective reviews in order to be consistent with Maine policy

The State Recovery Audit Contractor (RACs) have been encountering problems when looking at more recent claims that provider have not had a chance to adjust or void.

The Department requests that CMS allow a half-time (½) Medical Director rather than a full-time Medical Director under the RAC program.

Section 1902(a)(42)(B)(ii)(l)
of the Act

☒ 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 State. RACs are consistent with the statute.

Section 1902
(a)(42)(B)(ii)(ll)(aa) of the Act

Place a check to provide assurance of the following:

☒ The State will make payments to the RAC(s) only from amounts recovered.

☒ The State will make payments to the RAC(s) on a contingent basis for collecting overpayments.

The following payment methodology shall be used to determined State payments to Medicaid RACs for identification and recovery of overpayments (e.g., the percentage of the contingency fee):

☒ 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.