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**State/Territory Name: Ohio**

**State Plan Amendment (SPA) #: 19-0026**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
233 N. Michigan Avenue, Suite 600  
Chicago, Illinois 60601-5519



## **Regional Operations Group**

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December 18, 2019

Maureen M. Corcoran, Director  
Ohio Department of Medicaid  
P.O. Box 182709  
50 West Town Street, Suite 400  
Columbus, Ohio 43218

RE: State Plan Amendment Transmittal Number 19-0026

Dear Ms. Corcoran:

Enclosed for your records is an approved copy of the following State Plan Amendment:

Transmittal #19-0026            - Recovery Audit Contractor Exception 2020  
   - Effective Date: January 1, 2020  
   - Approval Date: December 18, 2019

If you have any questions regarding this State Plan Amendment, please have a member of your staff contact Christine Davidson at (312) 886-3642 or by email at [christine.davidson@cms.hhs.gov](mailto:christine.davidson@cms.hhs.gov).

Sincerely,

/s/


Ruth A. Hughes  
Deputy Director  
Center for Medicaid and CHIP Services  
Regional Operations Group

Enclosures

cc: Carolyn Humphrey, ODM  
Becky Jackson, ODM  
Greg Niehoff, ODM

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: <b>19-026</b>	2. STATE <b>OHIO</b>
<b>FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES</b>		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 <b>January 1, 2020</b>	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> <b>AMENDMENT</b> COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 1902(a)(42)(B) of the Social Security Act		7. FEDERAL BUDGET IMPACT: a. FFY 2020 \$0 b. FFY 2021 \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Sec. 4.5, page 36b		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  Sec. 4.5, page 36b (TN 17-046)	
10. SUBJECT OF AMENDMENT: Recovery Audit Contractor (RAC) Exception 2020			

11. GOVERNOR'S REVIEW (Check One):  
 GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED:  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED      **The State Medicaid Director is the Governor's designee**  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO:  <b>Carolyn Humphrey</b> <b>Ohio Department of Medicaid</b> <b>P.O. BOX 182709</b> <b>Columbus, Ohio 43218</b>
13. TYPED NAME: <b>MAUREEN M. CORCORAN</b>	
14. TITLE: <b>STATE MEDICAID DIRECTOR</b>	
15. DATE SUBMITTED: <b>Nov. 25, 2019</b>	

<b>FOR REGIONAL OFFICE USE ONLY</b>	
17. DATE RECEIVED: <b>November 25, 2019</b>	18. DATE APPROVED: <b>December 18, 2019</b>
PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>January 1, 2020</b>	20. SIGNATURE OF REGIONAL OFFICIAL:  <b>/s/</b>
21. TYPED NAME: <b>Ruth A Hughes</b>	22. TITLE: <b>Deputy Director</b>
23. REMARKS:	

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Medicaid State Plan Preprint Page

Revision:

State: Ohio

SECTION 4 - GENERAL PROGRAM ADMINISTRATION

4.5 Medicaid Recovery Audit Contractor Program

<p>Citation Section 1902 (a)(42)(B)(i) of the Social Security Act</p>	<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> <ul style="list-style-type: none"> <li>• The RAC is restricted to auditing Fee-For-Service (FFS) providers. In Ohio, 90.3% of Medicaid beneficiaries are enrolled in a Managed Care Plan (MCP) as of July 2019. The State projects 90.4% will be in a MCP in June 2020. Therefore, the State does not project any large recoveries in the future for the RAC.</li> <li>• Ohio has robust and effective program integrity in place; therefore, a RAC is not effective in Ohio. Ohio has several program integrity initiatives in place to combat fraud, waste, and abuse (FWA) in our state’s Medicaid program, including:             <ul style="list-style-type: none"> <li>○ Individual Provider – Claim Analysis Reports;</li> <li>○ Surveillance and Utilization Review Systems with extended capabilities utilizing third party software applications;</li> <li>○ Letter of Arrangement with the Ohio Auditor of State to complete provider audits on Medicaid’s behalf;</li> <li>○ Advanced Program Integrity Data Analytics proven effective in identifying FWA;</li> <li>○ Federal Unified Program Integrity Contractor (Medi- Medi);</li> <li>○ Access to the One Program Integrity (PI) data repository;</li> <li>○ Hospital Utilization Review Contractor with net recoveries &gt;\$20 million; and</li> <li>○ Implementation of an Electronic Visit Verification program utilizing geotracking for home health providers in January 2018.</li> </ul> </li> </ul> <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>Section 1902 (a)(42)(B)(ii) (I) of the Act</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>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 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>