

Table of Contents

State/Territory Name: Kansas

State Plan Amendment (SPA) #: 23-0001

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

November 16, 2022

Sarah Fertig, State Medicaid Director
Kansas Department of Health and Environment
Division of Health Care Finance
Landon State Office Building
900 SW Jackson, Suite 900 N
Topeka, KS 66612-1220

Re: Kansas State Plan Amendment (SPA) 23-0001

Dear Ms. Fertig:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 23-0001. This amendment requests an additional 2-year renewal of the exemption from the Recovery Audit Contractor program, from January 1, 2023 to December 31, 2024.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations at 42 CFR 455.516. This letter is to inform you that Kansas Medicaid SPA 23-0001 was approved on November 16, 2022, with an effective date of January 1, 2023.

If you have any questions, please contact Michala Walker at 816-426-6503 or via email at michala.walker@cms.hhs.gov.

Sincerely,

Ruth A. Hughes, Acting Director
Division of Program Operations

Enclosures

cc: Bobbie Graff-Hendrixson
William Stelzner

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

1. TRANSMITTAL NUMBER
23 — 0001

2. STATE
KS

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

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

January 1, 2023

5. FEDERAL STATUTE/REGULATION CITATION
Section 1902(a)(42)(B)(i) of the Social Security Act; 42 CFR 455.516

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2023 \$ 0
b. FFY 2024 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

SECTION 4 - GENERAL PROGRAM ADMINISTRATION, 36b, 36c

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
SECTION 4 - GENERAL PROGRAM ADMINISTRATION, 36b, 36c


9. SUBJECT OF AMENDMENT

Recovery Audit Contractor (RAC) Program - Additional Two-Year Exemption Renewal, January 1, 2023 - December 31, 2024. Revisions are submitted on Pages 36b and 36c.

10. 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:
Sarah Fertig is the Governor's Designee

11. SIGNATURE OF STATE AGENCY OFFICIAL


12. TYPED NAME
Sarah Fertig

13. TITLE
State Medicaid Director

14. DATE SUBMITTED
October 26, 2022

15. RETURN TO
Sarah Fertig, State Medicaid Director
KDHE, Division of Health Care Finance
Landon State Office Building
900 SW Jackson, Room 900-N
Topeka, KS 66612-1220

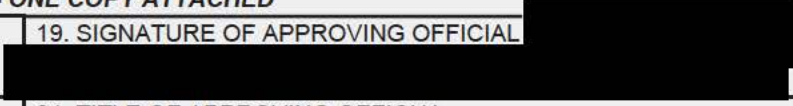
FOR CMS USE ONLY

16. DATE RECEIVED
October 26, 2022

17. DATE APPROVED
November 16, 2022

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
January 1, 2023

19. SIGNATURE OF APPROVING OFFICIAL


20. TYPED NAME OF APPROVING OFFICIAL
Ruth A. Hughes

21. TITLE OF APPROVING OFFICIAL
Acting Director, Division of Program Operations

22. REMARKS

Revision:

State Kansas**SECTION 4 - GENERAL PROGRAM ADMINISTRATION**

<p><u>Citation</u></p> <p>Section 1902(a)(42)(B)(i) of the Social Security Act</p> <p>Section 1902(a)(42)(B)(ii)(I) of the Act</p> <p>Section 1902 (a)(42)(B)(ii)(II)(aa) of the 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> <p>Under the state’s predominately managed care delivery system, there is not sufficient fee-for-service claims volume to attract an 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: Managed Care Organizations audit. • Managed Care Organizations: Special Investigation Units - managed care provider. • Gainwell Technologies Survey Utilization Review Subsystem (SURS): FFS provider reviews. <p>The State requests an exception extension for an additional 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>
--	---

<p>Section 1902 (a)(42)(B)(ii)(II)(bb) of the Act</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>___ 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>___ 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>___ 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): The RAC will receive a percentage of the underpayment that is paid to a provider.</p>
<p>Section 1902(a)(42)(B)(ii)(III) of the Act</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)(aa) 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>Section 1902(a)(42)(B)(ii)(IV)(bb) of the Act</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>Section 1902(a)(42)(B)(ii)(IV)(cc) Of the Act</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>