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State/Territory Name: North Dakota

State Plan Amendment (SPA) #: 21-0003

This file contains the following documents in the order listed:

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

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



Medicaid & CHIP Operations Group

March 31, 2021

Caprice Knapp, Medicaid Director
Division of Medical Services
North Dakota Department of Human Services
600 East Boulevard Avenue, Dept. 325
Bismarck, ND 58505-0250

RE: North Dakota State Plan Amendment (SPA) 21-0003


Dear Ms. Knapp:

We have reviewed the State Plan Amendment (SPA) submitted under transmittal number 21-0003. This SPA amends the State Plan to request an extension to the exemption for a Recovery Audit Contractor.

Please be informed that this SPA was approved on March 30, 2021, with an effective date of April 1, 2021. The extension to the exemption for a Recovery Audit Contractor is approved for two years, and will expire on April 1, 2023. Enclosed is the CMS-179 and SPA pages.

Should you have any questions about this amendment, please contact Curtis Volesky at (303) 844-7033.

Sincerely,

 Digitally signed by James
Scott -S
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James Scott, Director
Division of Program Operations

cc: Krista Fremming, krfremming@nd.gov
Stacey Koehly, skoehly@nd.gov
LeeAnn Thiel, lthiel@nd.gov

Revision: HCFA-PM-88-10 (BERC)
December 2010

State: North Dakota

4.5b Medicaid Recovery Audit Contractor Program

Citation	
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> <p><input checked="" type="checkbox"/> The State is seeking an exception to establishing such program for the following reasons: The State has an approved RAC waiver effective April 1, 2019 through April 1, 2021. The State is requesting an extension of the current RAC waiver due to the majority of the State Medicaid recipients being part of a Managed Care Organization. The state issued an RFP for a new RAC vendor; in 2017 however, no proposals were received. There is no evidence that issuing a new RFP would result in receipt of proposals/response from prospective vendors. The State has no changes to its Medicaid program that would benefit the state to put out an RFP to vendors. The North Dakota Medicaid Program Integrity Unit efforts have not diminished and the Unit is continually exploring additional audit areas and methods to improve auditing practices across the Medicaid expenditure universe. The PIU recently contracted with a vendor to explore auditing opportunities within long term care. North Dakota is requesting an extension of the exemption from establishing a Medicaid RAC program, effective April 1, 2021 through April 1, 2023.</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> <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>

TN No. 21-0003
Supersedes
TN No.: 18-0017

Approval Date: 03/30/2021

Effective Date: 04-01-2021

Revision: HCFA-PM-88-10 (BERC)
December 2010

State: North Dakota

4.5b Medicaid Recovery Audit Contractor Program – (continued)

<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>_____ 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>
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Citation	
<p>Section 1902(a)(42)(b)(ii)(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>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>

Revision: HCFA-PM-88-10 (BERC)
December 2010

State: North Dakota

4.5b Medicaid Recovery Audit Contractor Program – (continued)

Section 1902(a)(42)(B)(ii)(IV)(cc) of the Act	_____ 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.
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