# **Table of Contents**

**State/Territory Name: Wyoming** 

State Plan Amendment (SPA) #: 21-0008

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 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

August 6, 2021

Ms. Teri Green State Medicaid Agent Office of Health Care Financing 6101 Yellowstone Road Suite 210 Cheyenne, WY 82002

Re: WY SPA 21-0008

Dear Ms. Green:

We have reviewed the proposed Wyoming State Plan Amendment (SPA) WY 21-0008, which was submitted to the Centers for Medicare and Medicaid Services (CMS) on May 20, 2021. This state plan amendment (SPA) requests an exception of the State's requirement to contract with a Medicaid Recovery Audit Contractor.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2021. This is a time-limited SPA with an expiration date of July 1, 2023. This is a period not to exceed two (2) years. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional or need further assistance, please contact Ford Blunt of my staff at (214) 767-6381 or by email at Ford.Blunt@cms.hhs.gov.

Sincerely,

Digitally signed by s G. Scott -S 2021.08.06 :58 -05'00'

James G. Scott, Director Division of Program Operations

		OMB NO. 0938-0193
TRANSMITTAL AND NOTICE OF APPROVAL OF	1. TRANSMITTALNUMBER:	2. STATE
STATE PLAN MATERIAL		WYOMING
	WY 21-0008	
FOR: HEALTH CARE FINANCING ADMINISTRATION	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR	4. PROPOSED EFFECTIVE DATE	
HEALTH CARE FINANCING ADMINISTRATION	7/1/2021	
DEPARTMENT OF HEALTH AND HUMAN SERVICES		
5. TYPE OF PLAN MATERIAL (Check One):		
	CONSIDERED AS NEW PLAN	
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AME		amendment)
6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT:	2.00
42 CFR 455.516		0.00 0.00
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERS	
6. FAGE NOWIDER OF THE FLAN SECTION OR ATTACHMENT.	OR ATTACHMENT (If Applicable)	
Section 4.5b page 36b & 36c	Section 4.5b page 36b & 36c (19-0016)	
Page 36d	New Page	
10. SUBJECT OF AMENDMENT: Exception of State's requirem	ent to contract with a Medicaid Re	covery Audit
Contractor.		
11. GOVERNOR'S REVIEW (Check One):		
GOVERNOR'S OFFICE REPORTED NO COMMENT		IFIED: Delegated to Teri
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED		edicaid Agent, Division of
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	<u>Healthcare Fina</u>	ancing
12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:	
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	STATE MEDICAID AGENT	
	OFFICE OF HEALTH CARE FINANCING	١
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State: WYOMING

## PROPOSED SECTION 4 - GENERAL PROGRAM ADMINISTRATION

## 4.5 Medicaid Recovery Audit Contractor Program

## **Citation**

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

Section 1902(a)(42)(B)(ii)(I) of the 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.

\_\_\_\_X\_ The State is seeking an exception to establishing such program for the following reasons:

The State has a dedicated Fraud, Waste, and Abuse technical solution that aids in identifying fraud, waste and abuse (FWA). The operations and maintenance duties of the corresponding contractor include generating reports and analysis of data. In addition, the technical solution contains a robust data analytics component which automatically generates potential leads. These efforts promote efficiency and significantly expand the State's opportunity to identify potential cases for review and audit.

The State works closely and consistently with its assigned Unified Program Integrity Contractor. This process has proven to be effective in identifying and coordinating reviews of providers where FWA may be present.

The State understands, based on historical efforts, that any firm contracted to be the Wyoming Medicaid RAC has the potential to incur significant operational losses under the allowed fee structure and Medicaid RAC regulatory restrictions. It is these challenges and limitations that have previously deterred vendors from presenting any interest in bidding on and providing services as a RAC.

The State's Program Integrity efforts in managing and mitigating FWA are numerous, documented, active and ongoing. For these reasons, The State is requesting exemption - pursuant to 42 CFR 455.516 - from the requirement to maintain a Recovery Audit Contractor for a period of not more than 2 years from 6/30/2021 (the expiration date of approved SPA WY-19-0016).

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

TN: <u>21-0008</u>
Supersedes TN: <u>19-0016</u>
Approval Date: <u>08-06-21</u>
Effective Date: <u>07-01-21</u>

	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.
	Place a check mark to provide assurance of the following:
	The State will make payments to the RAC(s) only from amounts recovered.
Section 1902 (a)(42)(B)(ii)(II)(bb) of the Act	The State will make payments to the RAC(s) on a contingent Basis for collecting overpayments.
	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):
Section 1902 (a)(42)(B)(ii)(III) of the Act	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.
Section 1902 (a)(42)(B)(ii)(IV)(aa) of the Act	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.
Section 1902(a)(42)(B)(ii)(IV(bb) of the Act	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.
Section 1902 (a)(42)(B)(ii)(IV)(cc) Of the Act	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 State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).
	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.

TN: <u>21-0008</u>

Supersedes TN: <u>19-0016</u>

Approval Date: <u>08-06-21</u>

Effective Date: <u>07-01-21</u>

 The State assures that the recovered amounts will be subject to a State's quarterly expenditure estimates and funding of the State's share.
 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.

TN: 21-0008 Approval Date: 08-06-21 Supersedes TN: New Page Effective Date: 7-01-21