

NOTICE OF PROPOSED CHANGES TO THE STATE MEDICAID PLAN

The Department of Social Services (DSS) proposes to amend its Medicaid State Plan by December 31, 2010.

As required by Section 6411 of the Patient Protection and Affordable Care Act (Pub. L. 111-148, enacted on March 23, 2010), Connecticut will establish a program to contract with a Recovery Audit Contractor (RAC) to audit payments to Medicaid providers. As required by the Centers for Medicare & Medicaid Services, the RAC program will be fully operational by April 1, 2011.

Copies of the proposed changes may be obtained at each of the DSS regional offices and on the DSS web site: www.dss.state.ct.us. Go to "Publications" and then to "News and Updates". For information please contact 860-424-5145.

Written comments may be sent by December 28, 2010 to:

Director of Quality Assurance
Re: State Plan Amendment for Recovery Audit Contractor
Department of Social Services
Office of Quality Assurance
25 Sigourney Street, 8th floor
Hartford, CT 06106

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: CONNECTICUT

Citation

4.5 Medicaid Recovery Audit Contractor Program

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:

Section 1902(a)(42)(B)(ii)(I) 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 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)(aa) 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 recovered overpayments (e.g., the percentage of the contingency fee):

The State will pay a contingency fee to the RAC. The contingency fee rate shall be no less than 10 percent of the amount recovered and no more than the highest Medicare RAC contingency rate in effect at the time of payment.

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

The State attests that if 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.

**TN No. 10-025
Supersedes
TN No. New**

Approval Date: _____

Effective Date: 12/31/2010

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

X The following payment methodology shall be used to determine State payments to Medicaid RACs for underpayments:

The State will pay a contingency fee to the RAC. The contingency fee rate shall be no less than 10 percent of the amount recovered and more than than the highest Medicare RAC contingency rate in effect at the time of payment.

The State will submit a justification seeking to pay the Medicaid RAC(s) a contingency fee higher than the highest contingency fee rate paid to Medicare RACs as published in the Federal Register.

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

X The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).

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

X 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.

Section 1902 (a)(42)(B)(ii)(IV)(bb) of the Act

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

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

X 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.