LEARNING OBJECTIVES

- Definitions
- Source of Authority
- Utilization Review
  - Provider and Recipient
- Effective Communication
  - Internal and External
WHAT IS FRAUD?
42 CFR 455.2

- Intentional deception
- Misrepresentation
- Knowledge
- Unauthorized benefit
WHAT IS ABUSE?
42 CFR 455.2

- Provider practices inconsistent with sound fiscal, business, or medical practices
- Results in unnecessary cost to Medicaid
- Reimbursement for medically unnecessary procedures
- Fail to meet professionally recognized standards
- Includes recipient activity
SOURCE OF AUTHORITY

- Federal Regulations (CFR)
- State Statutes (Laws)
- Administrative Rules
- Internal Policy
  - Provider Agreement, notices, manuals, updates
CONTRACTS

- Involvement upfront
- Invite yourself
- Inclusive Language
- Detail
It is the provider’s responsibility to be “aware of” and “comply with” ALL laws, rules and regulations (both State and Federal), including updates as they become effective.
PROVIDER ENROLLMENT

- Catch them at the front door
- Best line of defense
- ACA requirements
  - Program Integrity Review
  - On site visits
  - Exclusion database checks
  - Ownership and Disclosure
PROVIDER REVIEW

- Retrospective Review
- Referrals – internal & external
- Self Audit
- Random Selection
- Algorithms
- Quality Improvement Organization (QIO)
- Recovery Audit Contractor (RAC)
RECIPIENT REVIEW

- Identity theft
- Pharmacy Lock-In Program
- Recipient Explanation of Medical Benefits (REOMB)
  - Federal requirement
The Pharmacy Lock-In Program is designed to prevent members from obtaining excessive quantities of prescribed drugs through visits to multiple physicians and multiple pharmacies.

There are predefined criteria that patients must meet in order to be placed in the Lock-In Program.

Lock-In is for a defined amount of time:
- 12 months
- Re-reviewed every 6 months for emerging patterns indicating abuse.

The benefit of this program is that one pharmacy can monitor the number of physicians and prescriptions that the member is filling and intervene if necessary.

Program Integrity monitors and does cost savings analysis each month.
WHAT IS REVIEWED?

- Documentation
- Paid Claims
- Billing Practices
- Medical Necessity
- Medical Coding (CPC)
- Record Keeping
  - Retention
  - Appointment Books
42 CFR § 455.14 – Preliminary Investigation

- State Medicaid agency receives a fraud or abuse complaint
- Identifies questionable practices
- Must conduct a preliminary investigation
- Triage to determine investigatory response
42 CFR § 455.15
Full Investigation

- Preliminary investigation findings
- Fraud?
- Refer to the Medicaid Fraud Control Unit (MFCU)
REVIEW OUTCOMES

- No Findings
- Findings
  - Education
  - Financial impact
  - MFCU Referral
  - Sanction, Exclusion, Termination
- Appeals
PROVIDER EDUCATION

- On-Site Training
- Guidance
- Provider Notices
- Billing Manuals
- Policy Changes
Federal and State law requires DHHS to seek recovery on all identified overpayments, whether or not there was any error on the part of DHHS, or the provider. *(RSA 167:60II)*

* Regardless of who is at fault for the overpayments*
Consequences

Failure to repay sums that have been identified and verified as overpayment will result in provider suspension or termination from the Medicaid Program.
42 CFR § 455.2 - Exclusion

- Provider that has been excluded from participation by the Office of Inspector General, HHS
- State agencies must not contract with excluded providers
- Federal funds cannot be used for items or services furnished by an excluded entity
- Both individuals and businesses
- Provider is responsible to check the Exclusions Database each month on their own employees
DOES THE DOCUMENTATION IN THE MEDICAL RECORD SUPPORT THE SERVICE?

“If it isn’t documented, it didn’t happen”
Communication

- **Internal**
  - E-mail
  - Policy development & changes
  - New initiative involvement up-front
  - State Medicaid Director
  - Program areas
  - Legal
  - System updates & changes
  - Board notices

“Stay in the Loop”
Communication

- **External**
  - MCAC
  - Professional Associations
  - Provider meetings & trainings
  - MFCU – monthly meetings
  - TAG
  - Weekly small State conference call
  - MII
  - Listservs
  - Quarterly Region 1 PI Director conference calls
  - Webinars
  - Quarterly Medicaid, Medicare, CMS, OIG, MFCU
New Initiatives

* Program Integrity input upfront *

- **Managed Care**
  - Contract development
  - PI oversight – credentialing & FWA

- **Enhanced Provider Payments**
  - Attestation
  - Audit

- **Family Planning**
  - Planning & implementation
  - Auditing

- **Contractor to perform database reviews required by ACA for provider enrollment**

- **On hold for Medicaid Expansion**
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