

STATE OF PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: HAWAII

SECTION 4 - GENERAL PROGRAM ADMINISTRATION

4.5 Medicaid Recovery Audit Contractor Program

Citation(s)

Section 1902(a)(41)(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 received an exemption approval from CMS for SPA 19-0004 on October 29, 2019. The contract will expire on June 30, 2022. The new contract with Myers & Stauffer will begin on July 1, 2022 and end on June 30, 2023. Hawaii will utilize a contingency fee of 17.5% for all identified overpayments or underpayments for all claim types reviewed during the contract period.

- Exemptions:

The State is asking for an approximated .10 FTE Medical Director or Medical Profession. The vendor will establish a network of licensed medical professionals to perform Medical Director duties as defined in this regulation. The exception to the Medical Director will allow the contingency fee to remain below the highest rate paid to Medicare RACs.

- The State is seeking an exception to establishing such program for the following reasons :
 - a. ~~The State is asking for an approximated .10 FTE Medical Director or Medical Profession. The vendor will establish a network of licensed medical professionals to perform Medical Director duties as defined this regulation. The exception to the Medical Director will allow the contingency fee to remain below the highest rate paid to Medicare RACs.~~
 - b. ~~Based on the CMS Informational Bulletin-~~

<u>TN No.</u>	<u>22-0011</u>			
	<u>[19-0004]</u>			
<u>Supersedes</u>		<u>Approval Date:</u>	<u>[10/29/19]</u>	<u>Effective Date:</u> <u>07/01/22</u>
				<u>[07/01/19]</u>
<u>TN No.</u>	<u>19-0004</u>			
	<u>[13-0002]</u>			

STATE OF PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: HAWAII

SECTION 4 - GENERAL PROGRAM ADMINISTRATION

~~issued on February 1, 2011 and the final federal rules published on September 16, 2011, deferring the proposed April 1, 2011 implementation date for the RAC program to January 1, 2012, the State seeks an exception of its implementation date of April 1, 2011 to January 1, 2013. The deferral ensures compliance with the contract requirements in the contract requirements in the statute which are contained in the current vendor contract.~~

~~e. Based on the Federal Registrar document number 72 FR 11127, Medicare and Medicaid RAC contingency fees were increased on February 24, 2012 to a contingency fee of 17.5 percent for overpayments recovered from Durable Medical Equipment claims. Hawaii requests that it be granted approval to utilize a contingency fee up to, but not exceed 17.5 percent for all identified overpayment or underpayments for all claims types reviewed during the contract period.~~

<u>TN No.</u>	<u>22-0011</u>			
	[19-0004]			
<u>Supersedes</u>		<u>Approval Date:</u>	<u>[10/29/19]</u>	<u>Effective Date:</u>
				<u>07/01/22</u>
				<u>[07/01/19]</u>
<u>TN No.</u>	<u>19-0004</u>			
	[13-0002]			

STATE OF PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: HAWAII**SECTION 4 - GENERAL PROGRAM ADMINISTRATION****4.5 Medicaid Recovery Audit Contractor Program****Citation(s)**

Section 1902(a)(41)(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 received an exemption approval from CMS for SPA 19-0004 on October 29, 2019. The contract with will expire on June 30, 2022. The new contract with Myers & Stauffer will begin on July 1, 2022 and end on June 30th 2023. Hawaii will utilize a contingency fee of 17.5% for all identified overpayments or underpayments for all claim types reviewed during the contract period.

- Exemptions:

The State is asking for an approximated .10 FTE Medical Director or Medical Profession. The vendor will establish a network of licensed medical professionals to perform Medical Director duties as defined this regulation. The exception to the Medical Director will allow the contingency fee to remain below the highest rate paid to Medicare RACs.

- The State is seeking an exception to establishing such program for the following reasons:

TN No.	<u>22-0011</u>	Approval Date:	_____	Effective Date:	<u>07/01/22</u>
Supersedes					
TN No.	<u>19-0004</u>				