State: _____Vermont_____

4.5b Medicaid Recovery Audit Contractor Program

<u>Citation</u>

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:

~~More than 95 percent of Vermont's Medicaid beneficiaries are enrolled in a managed care model. Additionally, under the Global Commitment to Health Waiver, the Special Terms & Conditions (STC) 15 indicates that the Department of Vermont Health Access (DVHA) "shall comply with federal program integrity and audit requirements as if it were a managed care organization for services and populations covered under the demonstration."~~

~~This SPA will be in effect as long as the current GC Waiver is in effect. At the expiration of the waiver's renewal period (12/31/2016), Vermont must submit to CMS either:~~
~~a)   A new request for an exemption; or~~
~~a)   A SPA establishing a Medicaid RAC program.~~

Vermont Medicaid operates a managed care-like model under the 1115 Global Commitment to Health waiver. As part of this approval, DVHA shall comply with federal program integrity and audit requirements for services and populations covered under the demonstration in accordance with STC 23. This SPA is in effect for as long as DVHA operates as a managed care-like model.

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.

☐ The State will make payments to the RAC(s) on a contingent basis for collecting overpayments.

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

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):

☐ 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.

☐ 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.

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