

RFP Questions and Answers Set #3
RAC OPASS 14-13365

1. In Section 3.2.1 (Project Overview) the contractor is required to contact appropriate law enforcement agencies when fraud is detected. How will the contractor be paid for identifying the fraud?

Contractor will not be paid for identifying claims of a provider that is referred to law enforcement for criminal or civil prosecution. Referrals should be made to the law enforcement as soon as there is credible evidence that fraud may have occurred, and thus before completion of the audit and drafting and issuance of any recovery letters. If Law Enforcement concludes that it is not going to proceed with the case, and the case is returned to the DHMH and the Contractor is asked to continue its previous review, then the Contractor may receive a contingency fee based on recovery.

2. In Section 3.2.7 (Notice to Provider) the contractor has to tell the provider that they overbilled and provide details. The contractor then has the opportunity to provide additional documents to justify the payment. Experience shows that some contractors “create” the justifying paperwork after the fact. What is the department’s position on compensating the vendor for the initial discovery of overpayment? In other words, why should the contractor be required to accept no fee when the provider is initially at fault by not providing the full and complete medical record?

A provider is given an opportunity to produce documents as the contractor may have missed the document, or the document was misfiled/mislabeled. If the authenticity of the document is at issue, the Contractor shall consult with Contract Monitor, and the document might not be accepted. Federal regulations provide that the Contractor’s fee is based upon actual recoveries.

3. Section 3.2.2 (Program Administration) refers to “Department approved audits”. Will DHMH notify the contractor of which audits are approved PRIOR to the contractor commencing the audit? **YES.** Will DHMH provide any additional data when an audit is approved or not approved (such as improper payment amount or specific line items to be investigated)? **The Contractor will propose to the DHMH the provider to be reviewed and the scope of the review. The DHMH may negotiate with the Contractor on the scope.** Will the Department provide the contractor with examples of the overview, detail, and supporting documentation of Providers to be audited? **No, Contractor should review the appropriate regulations and rules governing a service.** Additionally, for DHMH mandated audits: should the contractor believe there is little to no payment irregularities to cover its costs, how is the Department to be notified and will the Department pay the contractor a consulting fee for non-contingency or educational tasks? See also 3.2.4.F.4 **The DHMH believes that there are overpayment and underpayments to be identified. DHMH is not making any guarantees regarding the amount of recoveries, nor is DHMH making any assertions regarding payment irregularities and costs**
Contractor shall propose a contingency rate that will permit the Contractor to cover all costs to be incurred by the contractor including costs for educational tasks and other non-contingency services.

4. In Section 3.2.4 (Identification of Improper Payments) reference is made to a limitation on the contractor's efforts (specifically, "No provider shall be required to provide more than 150 medical records in any one request from the RAC, nor shall any provider be required to provide more than 500 medical records in any 6 month period."). Please comment on the applicability of the 500 claim limit to automated audits.

If automated audit does not require providers to produce documentation to make the audit finding, the 500 claim limit is not applicable.

5. Please state, specifically, the extent to which MMIS access will be granted. The concern is that the contractor might not have access to records outside of the specific time frame being reviewed initially. Likewise, will information from the HSCRC be made available? Will the Department authorize the Contractor to receive the Provider's 835 and 837 files?

Contractor does not get actual 835 and 837, rather receive a file of paid claims that include data elements necessary to conduct the reviews. Information regarding HSCRC rates will be provided as determined necessary by DHMH. Review of records is limited to time frame of audit as approved by DHMH.

6. How will DHMH notify the contractor of firms under investigation so as to prevent the contractor from working on the claims of that firm? (Section 3.2.4 C.4)

Contractor shall provide DHMH a list of providers it seeks to audit and scope of audit. DHMH will review the list and consult with the Medicaid Fraud Control Unit. DHMH will advise Contractor which providers may be audited, or if scope of audit must be limited to avoid a conflict with another investigation.

7. With regard to "complex reviews" (Section 3.2.4.D.2 and elsewhere) should DHMH require a complex review that has no recovery, how will the contractor be compensated? Shouldn't the Financial Proposal model have a provision for charging unusual or out-of-scope work at an hourly rate?

Compensation is governed by federal regulations. A contingency fee is based upon actual recoveries for overpayments, or is a fee based upon under payments identified.

8. Due to the relatively short (3 business days) to respond to an Ad Hoc report, please provide examples or anticipated reasons for an Ad Hoc Report (3.2.10.B).

The DHMH may need to answer to a request for information from State Legislators, state auditors, or federal agencies, e.g. CMS. Where possible, the DHMH may allow additional time to produce a report.

9. Is DHMH requesting that the Medical Director and Project Manager both be full time positions with the contractor? This seems to be the implication to "FTE" in 3.2.11..B.1.a and 3.2.11.B.1.b.

YES