

**FREQUENTLY ASKED QUESTIONS**  
**Nursing Home Audit Program**  
**July 2011**

**Question:** What date span are we reporting on for the July 31st, 2011 report?

**Answer:** The current Credit Balance worksheet should include all credit balances for the quarter April 1, 2011 - June 30, 2011. Facilities should not have any credit balances over 60 days, however if there are any outstanding credit balances prior to this period they should be entered on this report.

**Question:** What exactly is a financial history report? What type of documents are you looking for to explain this?

**Answer:** The financial history report is a patient level report that shows all charges, payments and adjustment postings by date of service by each payor source (e.g. Medicaid, Medicare, Commercial Insurance, etc)

**Question:** Will the auditors need computer access to our billing systems or would they prefer all information hard copy?

**Answer:** The auditors prefer electronic access.

**Question:** Your transmittal indicated that the link on the DHMH web page would be available by June 17<sup>th</sup>; it still isn't up, what is the revised date for this link?

**Answer:** The web link was activated on June 18, 2011 and can be accessed @ <http://dhmh.maryland.gov/mma/drafts/index.html>

**Question:** Are you still planning to send out scheduling letters for the first group of providers in July? Who is the contact person for scheduling, as some of the chains may want to spread their facility audits out.

**Answer:** Scheduling letters will not be sent out in July 2011. HMS would like to wait until the first batch of quarterly reports are submitted to begin the initiation of reviews. Since the first batch is due July 31, 2011, HMS will begin sending out scheduling letters in early August 2011.

HMS does accommodate nursing home chains by spreading out their facilities across the schedule. HMS recommends that the nursing home chains that would like to ensure their facilities are scheduled in this manner email a list of their facilities including facility name and provider number/NPI to Lynne Holloway at [lholloway@hms.com](mailto:lholloway@hms.com)

**Question:** The transmittal refers to the initial report. Will these reports be mailed or sent to the facility in electronic format? Will HMS be using the same format as was used by the CDR subcontractors in the past (the “claims overpayment report” and the “patient resource overpayment” report?). Will you also be using the “needs more information” report for follow up questions?

**Answer:** HMS prefers to transmit all overpayment reports electronically using their secure email system, Voltage. HMS uses a similar format including separate claims and patient resource reports, as well as, initial, needs more information, and final reports.

**Question:** Who should a provider contact if they are requesting extensions of time on replying to these initial reports?

**Answer:** Providers should contact their assigned auditor in writing to request extensions. Extension requests must include adequate reasons why the extension is needed and also indicate the amount of time needed to complete the review. Typically, extensions beyond 30 days are not granted unless there are extenuating circumstances.

**Question:** The audits are designed to identify overpayments. What about facility underpayments? During the last TPL audit facilities were allowed to identify underpayments during the audit period for things like resource decreases, multiple Medicaid stays during the same month (where resources were deducted more than once) or missed days of billing.

**Answer:** HMS is not currently contracted to identify underpayments.

**Question:** During the last audit, overpayments made to the hospice providers were recouped from the nursing home providers. The industry disputed the legality of this practice, has that been discussed by the department?

**Answer:** Nursing Facilities will not be responsible to report credit balances relating to Hospice. Facilities will be required to identify any Hospice patients if there are any questions during the audit.

**Question:** What about overpayments for items that cannot be billed to another party because of timely filing statutes? We were allowed to remove these in the prior audit.

**Answer:** Providers are responsible for billing all available third party resources for payment or proper denial prior to billing Medicaid. HMS would like to implement use of a TPL letter which would allow the providers to bill for services to available third parties that may fall outside of the providers timely filing limits; however, would be in compliance with state DRA regulations, which allow providers to bill the primary payor up within 3 years of the date of service.

**Question:** For cost report periods which are already final settled, will you be providing detail of recoveries for items such as tube feeding, which could potentially be recovered by the department twice, once through the final settlement process and once through TPL?

**Answer:** There will be no detail of recoveries that have been final settled. For any disputed double take backs the provider should provide documentation of any disputed claim.

**Question:** Who should we contact if we have questions about a period of prior ownership?

**Answer:** Nursing Facilities should contact Steve Hiltner (410) 767-1447 [HiltnerS@dhhm.state.md.us](mailto:HiltnerS@dhhm.state.md.us) or Marquis Finch (410) 767-3533 [MFinch@dhhm.state.md.us](mailto:MFinch@dhhm.state.md.us) concerning prior ownership questions.

**Question:** If an appeal is filed, will the amount that is required to be paid within 60 days be reduced by the appealed items similar to the way final settlements are handled now?

**Answer:** No, the amount is not required to be paid until the appeal issue is resolved.

**Question:** Will Lillian Taylor be handling payment plan requests?

**Answer:** Payment plan request will be handled by Susan Panek in the Office of Health Service and Jim Miller in the Office of Finance.

**Question:** For the quarterly credit balance reports, in the past we were instructed to ignore differences of less than \$5.00. Will that materiality limit still be in place?

**Answer:** Yes, the \$5 limit will be in place.

**Question:** When the quarterly credit balance report is filed, what is the time frame for recoupment? Will it be the following month?

**Answer:** The time frame for reporting recoupment with respect to the quarterly report will be the same for any other recoupment process.

**Question:** Once the quarterly credit balance process is under way, there may be audits for providers deemed to be non-compliant. Will you begin assessing the 12% recovery fee on those audits?

**Answer:** As communicated in the June 10, 2011 Nursing Home Audit Program memorandum, audit costs (contingency fees) incurred for the initial audit period will be absorbed by DHMH. For any subsequent audit periods, DHMH will make a determination regarding future recovery fees after the successful completion of the initial round of audits.