

Illinois Medicaid Recovery Audit Contractor
Frequently Asked Questions



GENERAL INFORMATION

1. Who is Gainwell/HMS

Health Management Systems, Inc. (HMS), a Gainwell Technologies company, is under contract with the Illinois Department of Healthcare and Family Services (HFS), Office of the Inspector General (OIG) as Illinois' Medicaid Recovery Audit Contractor.

2. What is RAC

RAC, or Recovery Audit Contract, is a federally mandated audit required of all state Medicaid agencies to supplement program integrity compliance requirements. The RAC program's mission is to reduce Medicaid improper payments through the detection and collection of overpayments, and the identification of underpayments via a contract auditor.

3. Legal Authority for RAC

42 CFR Part 455 et. seq.

Section 6411 of the Patient Protection and Affordable Care Act of 2010

4. What is the basis of review of a RAC audit?

RAC audit reviews are based on the Illinois Medicaid Program Provider Handbook policy, Informational Notices, and relevant administrative regulations pursuant to Title 89 Illinois Administrative Code. Additionally, for utilization review audits, RAC will use HFS InterQual Guidelines for accepted clinical criteria regarding admission status and level of care determinations, as required in the Illinois Medicaid Program Provider Handbook.

TYPES OF RAC REVIEWS

1. Which provider groups are subject to RAC audits?

All provider types are subject to RAC audits. The audits will review for identification of overpayments and underpayments. Currently RAC audits are limited to Medicaid fee-for-service patient population.

2. Why are Medicare claims subject to RAC review?

When a provider's Medicaid claim is subject to a RAC review it is likely a Medicare/Medicaid Crossover claim. When Medicaid providers submit claims to Medicare for Medicare/Medicaid beneficiaries, Medicare will pay the claim, apply a



deductible/coinsurance or co-pay amount and then automatically forward the claim to Medicaid. Since Medicaid did pay, these claims are still applicable for RAC audit.

3. What is the look-back time frame?

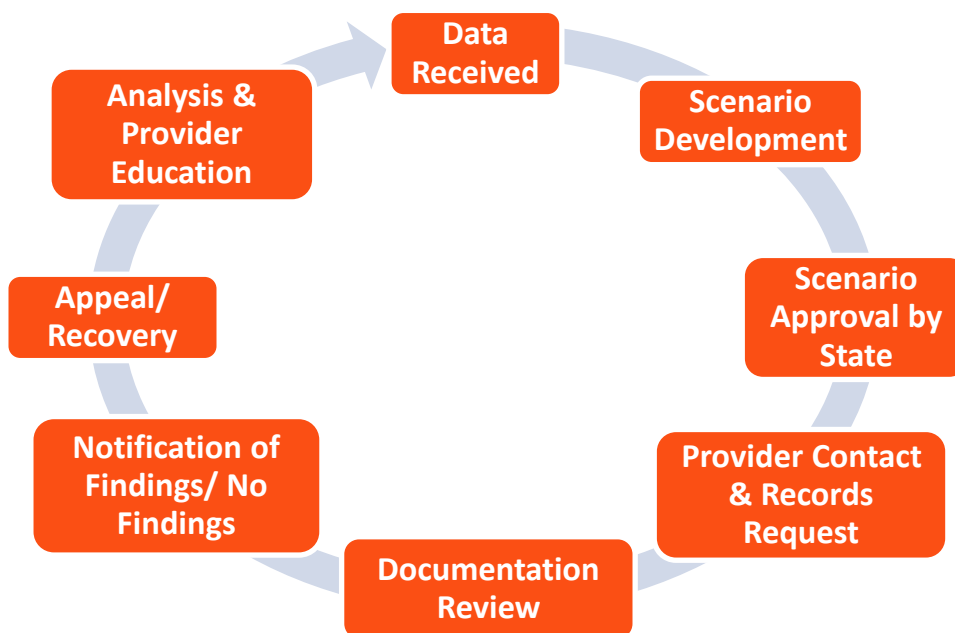
The look-back period is 3 years from the date the claim was filed.

4. Will the RAC identify underpayments?

Yes. HMS will identify claims where a potential underpayment occurred. The necessary back-up documentation for these claims will be requested and reviewed by HMS to validate the underpayment determination.

5. What types of RAC reviews are there?

Clinical Claim Reviews - Required when data analysis identifies a potential improper payment that cannot be automatically validated through data elements and established policy and rules alone. The review requires the examination of records or other documents. These reviews are normally performed as a desk audit and will have records requests associated with them.



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- 6. Will extrapolation be applied to determine the overpayment amount?**
Current audits do not extrapolate but the RAC anticipates extrapolation for future audits.
- 7. Can the RAC review a claim that was previously reviewed by a different auditing entity?**
If the claim that was or is currently being audited by a state or federal agency or a contractor working for a state or federal agency involves the same issue or service, the RAC cannot audit the claim.

GENERAL PROCESS

- 1. How will I be notified of the RAC audit?**
The provider will receive a Medicaid RAC Audit Notification and a Medicaid RAC Medical Record Request Letter from HMS notifying the provider of the records and documentation to be sent in to substantiate their billing. **Do not make payment adjustments once the audit commences.**
- 2. Am I able to respond to a review?**
Providers will have 30 calendar days from the date of the Medical Record Request Letter to submit the appropriate documentation for review.
Once a Preliminary Findings letter has been received, a provider will have 30 calendar days to submit a request for reconsideration if appropriate and will be permitted to provide additional documentation relevant to the finding to support their assertion of correct payment. If the findings are upheld, HMS will send the provider a Dispute Uphold Letter and an HFS-OIG Payment Agreement. **Do not make payment adjustments once the audit commences.**
- 3. What happens if I fail to respond to a review?**
A provider is sent a Follow Up Medical Record Request Letter, advising the record must be submitted within 15 calendar day. If no record is received within those 15 calendar days, the provider is sent a Technical Denial Letter. Failure to respond to a review may result in the recovery of all claims for which a response was not received. The overpayment amount will be referred to the HFS-OIG for administrative hearing, and you will be notified of the State's Action and Intent to Recover the overpayment.
- 4. Will extensions be allowed if delays occur in obtaining documentation needed?**
No. Extensions will not be allowed during the RAC Audit process.
- 5. Can I submit records electronically?**

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Yes, providers can submit records electronically. The Medical Records Request letter will provide information related to medical records submission, including submission methods and timelines. HMS accepts provider submissions of electronic records via a provider portal, Secure File Transfer Protocol (SFTP).

Site for the provider portal is: <HTTPS://HMSPORTAL.HMS.COM> and follow the User Registration instructions.

Email for SFTP submission is: GoGreen@gainwelltechnologies.com or call 1-855-287-1682

6. Can I mail in a medical record?

Yes, mailing medical records is an option as well. The address is:

HMS - Illinois Recovery Audit Services
5615 High Point Dr.
Mail Stop #200-IL
Irving, TX 75038

7. Will providers be reimbursed for sending medical records?

No. There will be no reimbursement to providers for the copying/sending of medical records.

8. Is it also possible to change the point of contact for the Medicaid RAC Medical Record Request?

Yes. The point of contact can be updated by contacting Provider Services at 1.855.699.6292.

9. How long does the RAC have to audit after receiving documentation in response to a letter?

The RAC has 45 calendar days to review records and 30 calendar days for documentation submitted for rebuttal.

10. What information will be contained in the preliminary finding notice?

The notice will include a detailed description of the overpayment finding with rationale of the identified overpayment.

11. Do I have a right to a formal appeal hearing on the preliminary finding?

No. After receiving the Preliminary Finding letter, if a provider disagrees, they can submit a rebuttal to HMS, or wait for the Final Notice of Recovery letter to be issued by HMS (if they choose not to pursue rebuttal).



12. Will I have an opportunity to respond to the final RAC audit findings letter?

The RAC Final Notice of Recovery letter is a conclusive finding, subject to payment or administrative recovery action by HFS-OIG. The opportunity to request an appeal is addressed in the Final Notice of Recovery letter.

PAYMENT PURSUANT TO THE FINAL NOTICE OF RECOVERY AND DISPUTE UPHOLD LETTERS

1. How do I repay the overpayment determination?

You will have 60 calendar days from the date of the Final Notice of Recovery and Dispute Uphold letters to repay the overpayment amount listed in the audit detail of those letters. Along with the payment by Cashier, Certified or business check, the provider must return the Payment Agreement (included with all Final Notice of Recovery and Dispute Uphold letters) to HFS-OIG indicating the method of repayment. Additionally, the payment instrument must include a reference to the Payment Agreement number identified on the Payment Agreement. Lastly, a copy of all the payment related information is to be emailed to the Bureau of Medicaid Integrity at HFS.OIG.BMI.RAC@illinois.gov. Payment agreements along with the payment by Cashier, Certified, or business check should be sent signed to:

Illinois Department of HealthCare and Family Services
Office of Inspector General (HFS-OIG)
Attn: RAC Collection Unit
2200 Churchill Road, Building A1
Springfield, IL 62702

2. How do Installment Agreement Payments work?

If a provider chooses an Installment payment option, it is the provider's responsibility to send in the check monthly. Debtor shall submit a check payable to Healthcare and Family Services. The first installment shall be due no later than sixty (60) calendar days of the date of the Final Notice of Recovery. All subsequent installments will be due by the 1st of each month following the month of the first installment until the debt is settled in full. Alternatively, in limited circumstances, and subject to the OIG's approval, repayment may be available via offset. Request for approval of payment via offset must be submitted via email to the Bureau of Medicaid Integrity at HFS.OIG.BMI.RAC@illinois.gov



3. What if I disagree with the overpayment determination in the final RAC audit findings letter and do not submit payment?

If a provider disagrees with any overpayment determination, the disputed claims must be identified in the Payment Agreement and sent to the Bureau of Medicaid Integrity at HFS.OIG.BMI.RAC@illinois.gov as an intent to appeal overpayment findings.

Failure to submit payment to HFS-OIG within 60 calendar days from the date of the Final Notice of Recovery or Dispute Uphold letters shall result in referral to HFS-OIG. Upon receipt of a referral for non-payment, HFS-OIG will file a Notice of Intent to Recover against a provider. The provider will have the right to appeal the Notice of Intent to Recover pursuant to the administrative hearing process set forth in 89 Illinois Admin. Code, Chapter I, Section 104 and 140 *et. seq.*

ADMINISTRATIVE APPEAL HEARINGS

1. What happens during the administrative hearings process?

The Illinois Medicaid RAC is the same process for the current Medicaid Recovery Cases audited by the HFS-OIG, Bureau of Medicaid Integrity (BMI). The Illinois appeal process is dictated by the Illinois Administrative Code (89 Ill. Admin. Code, Chapter 1, Sections 140 *et seq* and Sections 104 *et. seq.*) and the Illinois Administrative Procedures Act (5 ILCS 100/*et seq*).

2. What happens if I am referred to HFS-OIG for non-payment based on a Final Notice of Recovery?

Upon receipt of a referral for non-payment, HFS-OIG may file a Notice of Intent to Recover from a provider for the overpayment identified in a RAC audit.

3. When will I be notified if HFS-OIG files a Notice of Intent to Recover?

HFS-OIG, at its discretion, may file a Notice of Recovery Action. There is no time limit as to when a Notice of Recovery Action may be filed.

4. How will I be notified that HFS-OIG filed a Notice of Intent to Recover?

HFS-OIG will send notice to the address of record listed with the HFS Illinois Medicaid Program Advanced Cloud Technology (IMPACT) database and/or the point of contact, (physical mailing address and email address) information previously provided in response to the RAC records request.



5. How do I update or add additional contact information with HFS-OIG?

Additional contact information may be provided, along with a claim number as a point of reference, to HFS RAC appeals via email to: HFS.OIG.RAC.Appeals@Illinois.gov. You may also submit updates in writing to:

Office of the Inspector General
Attn: RAC
401 S. Clinton, 6th Floor
Chicago, IL 60607

6. What do I do after I receive HFS-OIG Notice of Intent to Recover?

If you agree with the Notice of Intent to Recover and intend to submit payment in full, contact the HFS-OIG attorney listed in the Notice of Intent to Recover via email and/ or telephone.

If you disagree with the HFS-OIG Notice of Intent to Recover, you have the right to an appeal hearing before the HFS administrative tribunal pursuant to 89 Ill. Admin. Code, Chapter 1, Sections 140 *et seq* and Sections 104 *et. seq.* and the Illinois Administrative Procedures Act (5 ILCS 100/*et seq*). Your request for hearing must be received within 10 days after the date on which you received the HFS-OIG Notice of Intent to Recover. The request for hearing must be in writing and must contain a brief statement of the basis upon which the HFS-OIG intent to recover is being challenged and is to be submitted to the following address:

**Chief Administrative Law Judge
Vendor Hearings Section
Illinois Department of Healthcare and Family Services
69 W. Washington St., 4th Floor
Chicago, IL 60601**

Additionally, a copy of the request for hearing should also be sent to the HFS-OIG attorney of record listed in the Notice of Intent to Recover.

7. What happens if I fail to request a hearing or otherwise fail to respond to the Notice of Intent to Recover within ten days?

Should you fail to request a hearing or otherwise respond to the Notice of Intent to Recover within ten days, HFS-OIG may motion the administrative tribunal to issue a default final decision in favor of HFS-OIG's intended recovery.



8. What happens if I file a request for hearing but change my mind and later withdraw my request and/or do not appear on the scheduled hearing date?

A failure to respond or appear pursuant to a Notice of Intent to Recover may lead to a default final decision by the Director of HFS and that decision will be sent to the Office of Inspector General's Collections Unit.

9. Who can represent me in an administrative appeal hearing?

Illinois law requires that corporations which are parties to administrative hearings be represented by an attorney licensed in the State of Illinois.

10. If I file an appeal or ask for a hearing, will I still have to pay back the amount of the overpayment in the Final Notice of Recovery or Dispute Uphold letters?

If the provider files an appeal or asks for a preliminary conference, no recovery of the identified claim will occur until the appeal is resolved.

MISCELLANEOUS

1. What if information on the claim, such as date of birth or other demographic information for the member, is incorrect?

This information must be updated by the member and cannot be updated by a provider. The member can contact their case worker or call the DHS Help Line at 1-800-843-6154 to update information from the application.

2. Who do I call about billing questions that have to do with information outside the HMS audit?

You can call the HFS provider services department at 1-877-782-5565 or look at detail on the website: <https://www.illinois.gov/hfs/MedicalProviders/Pages/default.aspx>

3. Why do my calls to the Provider Services line go to voice mail?

The HMS RAC call center is programmed so that during high call volume times, a caller may wait on hold up to 3 minutes. The caller can choose to go to voicemail at any time, but after 3 minutes, the caller is routed to voice mail and prompted to leave a message. HMS encourages callers to leave a message. An HMS representative will return the call with 24 business hours.

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4. Is there a website to check claim status?

Yes, please go to HMS Provider Portal <https://hmsportal.hms.com/>

5. Can there be multiple provider contacts for my hospital?

There can only be one primary contact per provider/hospital. The initial one will be based off of the state files, but you can call into provider services (855-699-6292) to update the contact at any time.

RAC RESOURCES FOR PROVIDERS

1. Will the RAC provide education if I want to more fully understand the billing errors that resulted in an overpayment?

Please visit <https://resources.hms.com/state/illinois/rac> and reference the informational documentation section for a RAC Overview Presentation.

2. How can I obtain provider type specific information regarding the Illinois Medical Assistance Program?

Program information specific to provider types, including Illinois Provider Handbooks and Provider Notices is available at:
<https://www.illinois.gov/hfs/MedicalProviders/Pages/default.aspx>.

COLLECTIONS

1. What do I need to send in to HFS to pay my overpayment amount?

You need to submit to HFS Bureau of Medicaid Integrity a copy of the Final Notice of Recovery or Dispute Upheld letter, Payment Agreement indicating the method of repayment, along with the payment by Cashier, Certified or business check. Additionally, the payment instrument must include a reference to the Payment Agreement number identified on the Payment Agreement. Lastly, prior to mailing the payment and supporting documents, a copy of all the payment related information is to be emailed to the Bureau of Medicaid Integrity at HFS.OIG.BML.RAC@illinois.gov.

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2. Who do I make my overpayment check to and where do I send it?

Submit a check payable to “Illinois Department of Healthcare and Family Services”. Payments are to be sent along with the payment agreement and audit backup documentation to:

Illinois Department of Healthcare and Family Services
Office of Inspector General (HFS-OIG)
Attn: RAC Collections Unit
2200 Churchill Road, Building A 1
Springfield, IL 62702

3. Do I need to submit my payment to HMS or a copy of my payment to HMS?

No. HMS does not handle any collection of RAC Audit overpayments. Please see #1 above for proper submission of payment agreements. Please do not send checks or payment agreements to HMS.

4. I submitted a check for payment to HFS but I see adjustments on my voucher indicating additional adjustments, was my overpayment collected twice?

Most likely, no. When HFS receives a check for an overpayment, in order to adjust the claims to account for the recoupment of the monies from the audit, HFS will process either a 20C – Check Detail adjustment or a 32C – Check Mass adjustment. These adjustments are accounting adjustments only and do not affect the bottom line of the voucher you have received. HFS has to process these adjustments in order to balance out from the claims, the amounts recouped.

If your voucher indicates a 15C – Withhold Mass or a 22C – Detail Mass adjustment and subtracts the amount of these adjustments from your voucher and you reimbursed HFS by check, please send an e-mail with a copy of the voucher and identify the adjustments that are potential double recoupments to HFS.OIG.Collections@illinois.gov and we will review. If it is determined that there was a double recoupment taken, then HFS will process a debit adjustment to reimburse the provider back for the double recoupment.

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5. Can HFS Collections staff assist with an appeal on my claim?

No, HFS Collections staff cannot assist with audit appeals. You will need to e-mail HFS.OIG.RAC.Appeals@Illinois.gov. You may also submit updates in writing to:

Office of the Inspector General
Attn: RAC
401 S. Clinton, 6th Floor
Chicago, IL 60607

6. What if I have issues in making installment payments to the Department?

Please send an e-mail to HFS.OIG.Collections@illinois.gov and present to us in writing the issues you are having and we will work with you to make additional payment arrangements.