



## FREQUENTLY ASKED QUESTIONS

# Health First Colorado Recovery Audit Contractor (RAC)

### **1. How far back can the RAC go in reviewing claims?**

The RAC can go back 7 years (84 months) from the Health First Colorado paid date of any claims submitted for payment. For additional information, the State Plan Amendment (SPA) approved by the Centers for Medicare and Medicaid Services is linked below: <https://www.medicaid.gov/State-resource-center/Medicaid-State-Plan-Amendments/Downloads/CO/CO-16-0003.pdf>

### **2. What is an automated review?**

Automated reviews are conducted using data mining algorithms to identify overpaid claims using Health First Colorado paid claims data. An automated review is used when overpayments can be identified from claim data elements without the need to examine medical records. The data from claims is weighed against well-established policies and rules, without the need to examine medical records or other documents.

### **3. What is a complex review?**

A complex review is a review that requires a human review of supporting medical documentation or to evaluate the validity of claims submitted by a facility. Unlike an automated review, a complex review requires the examination of medical records or other documents.

### **4. Will the RAC be conducting data mining and if so, will providers receive notice that their claims are being data mined?**

The RAC will be conducting ongoing data mining of transactions that were processed by the Department of Health Care Policy and Financing (Department). Providers will not be notified when their claims are being reviewed for an automated review. A medical records request letter will be sent requesting for medical records or other documentation in a complex review.

### **5. Will the RAC audit all the claims submitted by a facility?**

The RAC may look at any claims submitted by a facility. For example, if data mining reveals questionable billing patterns with all the claims submitted by a facility, all the claims submitted by a facility may be audited. However, typically the claims reviewed are specific to certain identified audit project.



## Frequently Asked Questions (cont.)

### **6. Will the audits focus only on institutional providers?**

No, the focus will include all provider types, including, but not limited to laboratories, individual providers such as physicians, therapists, durable medical equipment, long term care and home health providers.

### **7. How are claims selected for review?**

Claim selection is driven by a review project and the focus of the review scope. HMS has an experienced datamining team and algorithms are applied to claim data based upon the focus of the audit (HCPCS, DRG, modifiers etc.).

### **8. Can I submit records electronically?**

Yes. The Medical Records Request letter from the RAC will provide information related to medical records submission, including submission methods and timelines. HMS accepts provider submissions of electronic records on CD/DVD, Secure File Transfer Protocol (SFTP), or fax.

### **9. How do I sign up to use the provider portal?**

Please visit <https://hmsportal.hms.com/> and follow the User Registration instructions.

### **10. Will the RAC pay for copying medical records?**

No, Colorado state regulations state that the RAC is not required to pay for copying records. 10CCR 2505-10 Section 8.076.2.E.

### **11. How long do I have to respond to a medical record request?**

For complex reviews, providers have 45 calendar days from the date of the record request to submit documentation.

### **12. What happens if I have a delay in obtaining records specified in the Medical Records Request letter?**

The provider is responsible to inform the RAC of the delay and the reason for the delay. If the provider needs an extension, the request must be submitted in writing to the RAC within 15 calendar days of Medical Records Request letter date. Any extension to provide the requested documentation will be granted at the sole discretion of the Department. 10-CCR 2505-10 Section 8.076.2.F.

### **13. Will I have an opportunity to request an Exit Conference?**

Yes, you may request an Exit Conference to discuss preliminary findings within 10 days of the Medical Records Request letter date. Requests must be made with HMS by contacting HMS Provider Services at (877) 640-3419. A representative from HMS will contact you to schedule the Exit Conference. Upon request, you will receive a Preliminary Findings Report prior to the Exit Conference, per 10-CCR 2505-10 Section 8.076.2.H.

### **14. After I have read the Preliminary Findings Report, may I submit additional documentation for review?**

Yes. For complex reviews, you have 5 business days from the date of the Exit Conference to submit any additional documents. The RAC will review the additional documents within 20 calendar days of receipt of the additional documentation. Then HMS will begin the process of issuing a Notice of Adverse Action.



### **15. Will I have an opportunity to respond to the Notice of Adverse Action?**

Yes, a provider will have 30 calendar days from the date of the Notice of Adverse Action to respond.

### **16. What happens if I disagree with the findings in the Notice of Adverse Action?**

If a provider disagrees with the findings in the Notice of Adverse Action, the provider may make a written request for an Informal Reconsideration or Formal Appeal within 30 calendar days. Instructions for submitting such requests is provided in the Notice of Adverse Action. Please see the Informal Reconsideration section on the Website for details on processing an Informal Reconsideration.

### **17. If I request an Informal Reconsideration or Formal Appeal, will I still have to pay back the amount of the overpayment in the final report?**

You will not be obligated to return overpayments for which you have submitted a request for Informal Reconsideration or Formal Appeal until the review is complete. You will be obligated to pay any unchallenged overpayments.

### **18. What happens if I fail to respond to a Notice of Adverse Action?**

The Department will pursue other means to recover the overpayment after the 30-day time period, including but not limited to, automatically offsetting the overpayment from future payments, and/or referral to the Centers for Medicare & Medicaid Services (CMS) to withhold Medicare payments in accordance with 42 CFR 447.31., 10 CCR 2505-10 8.076.2.G

### **19. Can the RAC audit a claim that was audited by someone else?**

If the claim has been or is currently being audited by a state or federal agency or by a contractor working for a state or federal agency, for the same audit reason, then the RAC cannot audit the claim.

### **20. What happens if I fail to respond to a medical record request?**

Any claims for which requested documentation is not received within the 45 calendar days of a Medical Records Request letter shall be considered an overpayment subject to recovery, regardless of whether goods or services have been provided. Per 10 CCR 2505-10 Section 8.076.2.G. A Notice of Adverse Action will be issued for such overpayments.

### **21. How does the RAC calculate overpayments?**

The overpayment is the amount that was paid in error.

### **22. How will overpayments be recouped?**

The preferred method of refunding the Department is to submit a refund check or money order. When in agreement with the RAC findings, providers are instructed to submit a check or money order with a copy of the Notice of Adverse Action submitted to the provider. The Notice of Adverse Action notates the correct payee information to forward the refund. Providers also have the option to request an offset of the overpayment or to set up a payment plan. Instructions for making such requests are noted in the Notice of Adverse Action.



## Frequently Asked Questions (cont.)

### **23. Will the RAC provide education if I want to understand more fully the billing errors that it determines resulted in an overpayment?**

Yes, each overpayment notice will include detailed description of the error and will include an offer by the RAC to provide education with respect to the billing errors that were found. Education may be offered by written correspondence, telephone conference, webinar, or in person.

### **24. Where should I send the password for my CD or DVD?**

Please email or call HMS Provider Services to provide the password for password-protected files being mailed in. Our Provider Services team will be able to add them to your organizations file so that HMS can open these files when they arrive. If you send an email please include the following in the email:

- Letter reference numbers or claim numbers from the Medical Records Request letter.
- The password
- Any CD or DVD labeling information
- Any tracking information including carrier and tracking numbers

### **25. What happens if my medical records are on a CD, DVD, which arrives, damaged, or HMS does not get the password?**

HMS will contact providers to the best of its ability with the available information from the CD/DVD and contained within HMS's Provider Portal. If HMS is unable to reach the provider or the provider does not respond to HMS outreach efforts, claims for which the records are not accessible will be considered not received and will be technically denied. Providers can help reduce lost time by ensuring HMS has the proper RAC contact on file in the HMS Provider Portal.

### **26. What happens if my medical records are incomplete?**

Medical Records, which are not complete, may result in a Finding or in a Technical Denial. Providers will still have the same rights for an Informal Reconsideration or Appeal, which allows the opportunity to mail in additional or complete records.

### **27. How do I update the RAC Contact and RAC Address in the HMS Provider Portal?**

Please review the posted HMS Provider Portal Training document or contact HMS Provider Services for help update the contact name and address in the Provider Portal.

### **28. Are claims that require prior authorization excluded for the audit process?**

No. HMS will include claims that require prior authorization in its review projects.