DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 601 E. 12th St., Room 355 Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

April 1, 2021

Emma Chacon, Interim Medicaid Director Utah Department of Health P.O. Box 141000 Salt Lake City, UT 84114-1000

RE: TN 21-0001

Dear Ms. Chacon:

The Centers for Medicare and Medicaid Services (CMS) has completed its review of Utah's State Plan Amendment (SPA) Transmittal #21-0001, submitted on February 22, 2021. This SPA seeks an exception to the Medicaid Recovery Audit Contractor (RAC) program.

CMS approved SPA #21-0001 on April 1, 2021, with an effective date of February 1, 2021 for a two-year period only, with a termination date of January 31, 2023. Enclosed is a copy of the CMS-179 summary form, as well as the approved pages for incorporation into the Utah State Plan.

If you have any questions regarding this amendment, please contact Mandy Strom at mandy.strom@cms.hhs.gov or (303)844-7068.

Sincerely,

Digitally signed by James . Scott -S ate: 2021.04.01 11:28:33 05'00'

James G. Scott, Director Division of Program Operations

Enclosure

cc: Craig Devashrayee, Utah Medicaid John Curless, Utah Medicaid

DEPARTMENT OF HEALTH AND HUMAN SERVICES HEALTHCARE FINANCING ADMINISTRATION	FORM APPROVED OMB NO. 0938-0193
TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: 21-0001-UT2. STATE: Utah
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)
TO: REGIONAL ADMINISTRATOR HEALTHCARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE February 1, 2021
5. TYPE OF PLAN MATERIAL (Check One)	
NEW STATE PLAN AMENDMENT	TO BE CONSIDERED AS NEW PLAN 🛛 AMENDMENT
COMPLETE BLOCKS 6 THRU 10 IF THIS IS	AN AMENDMENT (Separate Transmittal for each amendment)
6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT: a. FFY <u>2021</u> \$ <u>0</u>
Subsection 1902(a)(42)(B) of the Social Security Act	b. FFY 2022 \$0
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Pages 36b and 36c of Section 4.5	Pages 36b and 36c of Section 4.5
10. SUBJECT OF AMENDMENT: Medicaid Recovery Audit Contr	ractors
To: CODSECT OF AMENDMENT: Medicald Recovery Addit Contin	
11. GOVERNOR'S REVIEW (Check One):	OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTA 	AL .
12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO:
	Craig Devashrayee, Manager
13. TYPED NAME: Richard Saunders	Technical Writing Unit Utah Department of Heath
14. TITLE Executive Director Liter Department of Health	PO Box 143102 Salt Lake City, UT 84114-3102
15. DATE SUBMITTED: February 22, 2021	
16.	
17. DATE RECEIVED:	18. DATE APPROVED:
2/22/2021	April 1, 2021
FOR REGION/	AL USE ONLY
19. EFFECTIVE DATE OF APPROVED MATERIAL:	20. SIGNATURE OF REGIONAL OFFICIAL:
2/1/2021	Digitally signed by James G. Scott -S Date: 2021.04.01 11:29:17 -05'00'
21. TYPED NAME:	22. TITLE:
James G. Scott	Director, Division of Program Operations
PLAN APPROVED – ON 23. REMARKS	IE COPY ATTACHED

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT MEDICAL ASSISTANCE PROGRAM

State: UTAH

SECTION 4 - GENERAL PROGRAM ADMINISTRATION (Continued)

4.5 Medicaid Recovery Audit Contractor Program

Citation	
Subsection 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.
	XThe State is seeking an exception to establishing such program for the following reasons:
Subsection 1902(a)(42)(B)(ii)(I) of the Social Security Act	 The state is heavy managed care – Utah has approximately 80% of its population in managed care. The state has a small FFS population – Utah only has approximately 20% of its population in FFS. The state has robust "RAC-like" programs in place – Utah has a pre-adjudication contractor that tests claims for program integrity issues. Additionally, the Utah Office of Inspector General of Medicaid Services, for many years, has had a statutory mandate to "investigate and identify potential or actual fraud, waste, or abuse in the state Medicaid program" (see UCA 63A-13-202(1)(d)).
Subsection1902(a)(42)(B)(ii)(II)(aa) of the Social Security Act	As a result of the above, Utah does not have sufficient opportunities for a RAC PI contractor.

Approval Date 4/1/21

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT MEDICAL ASSISTANCE PROGRAM

State: UTAH

SECTION 4 - GENERAL PROGRAM ADMINISTRATION (Continued)

Subsection1902(a)(42)(B)(ii)(II)(b b) of the Act	The following payment methodology shall be used to determine State payments to Medicaid RACs for the identification of underpayments (e.g., amount of flat fee, the percentage of the contingency fee):
	Payments to Utah's Medicaid RAC for identification and recovery of underpayments will be part of a monthly flat fee. This monthly flat fee will serve as payment for identification and recovery of overpayments as well.
Subsection1902(a)(42)(B)(ii)(III) of the Act	The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).
Subsection1902(a)(42)(B)(ii)(IV) (aa) of the Act	The State assures that the amounts expended by the State to carry out the program will be amounts expended as necessary for the proper and efficient administration of the State Plan or a waiver of the plan.
Subsection1902(a)(42)(B)(ii)(IV)(bb) of the Act	The State assures that the recovered amounts will be subject to a State's quarterly expenditure estimates and funding of the State's share.
Subsection1902(a)(42)(B)(ii)(IV)(cc) of the Act	Efforts of the Medicaid RAC(s) will be coordinated with other contractors or entities performing audits of entities receiving payments under the State Plan or waiver in the State, and/or State and Federal Law enforcement entities and the CMS Medicaid Integrity Program.

T.N. #	21-0001

Approval Date 4/1/21

Supersedes T.N. # <u>16-0027</u>

Effective Date 2-1-21