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State/Territory Name: Alabama

State Plan Amendment (SPA) #: 19-0006

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
61 Forsyth Street S.W. Suite 4T20
Atlanta, Georgia 30303-8909



Atlanta Regional Operations Group

June 14, 2019

Stephanie McGee Azar
Commissioner
Alabama Medicaid Agency
501 Dexter Avenue
Montgomery, AL 36103-5624

Re: Title XIX State Plan Amendment, AL #19-0006

Dear Ms. Azar:

We have reviewed the proposed amendment to the Alabama State Plan, submitted under transmittal number AL-19-0006. This amendment provides exception to the requirement that the RAC hire the minimum of one full-time Doctor of Medicine (MD) or Doctor of Osteopathic (DO) Medicine, and allows the state to hire no less than 0.1 full-time equivalent named and available Medical Director who is a MD or DO in good standing with the relevant State licensing authorities.

Based on the information provided, this amendment was approved on June 13, 2019. The effective date is June 1, 2019. We are enclosing the approved CMS Form 179 and plan pages.

If you have any questions, please contact Alice Hogan at 404-562-7432 or Alice.Hogan@cms.hhs.gov.

Sincerely,

/s/

Shantrina D. Roberts, MSN
Deputy Director
Division of Medicaid Field Operations South

cc: Yolanda Morris, Center for Program Integrity

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: AL-19-0006	2. STATE Alabama
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE June 1, 2019	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 455.508		7. FEDERAL BUDGET IMPACT: a. FFY 2019 0 b. FFY 2020 0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Section 4.5, Pages 36.1 and 36.2		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Section 4.5, Pages 36.1 and 36.2	
10. SUBJECT OF AMENDMENT: The primary purpose for this amendment is to seek an exception to 42 CFR §455.508(b), the requirement that the Medicaid Recovery Audit Contractor Program (RAC) must hire a minimum of 1.0 FTE Contractor Medical Director. The State is requesting this amendment to allow the RAC to hire no less than 0.1 FTE named and available medical director who is a Doctor of Medicine or Doctor of Osteopathy in good standing with the relevant State licensing authorities.			
11. GOVERNOR'S REVIEW (<i>Check One</i>):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Governor's designee on file via letter with CMS	
12. SIGNATURE OF STATE AGENCY OFFICIAL: /s/		16. RETURN TO: Stephanie McGee Azar Commissioner Alabama Medicaid Agency 501 Dexter Avenue Post Office Box 5624 Montgomery, Alabama 36103-5624	
13. TYPED NAME: Stephanie McGee Azar			
14. TITLE: Commissioner			
15. DATE SUBMITTED: 06/04/2019			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 06/04/19		18. DATE APPROVED: 06/13/19	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 06/01/19		20. SIGNATURE OF REGIONAL OFFICIAL: //s//	
21. TYPED NAME: Shantrina D. Roberts		22. TITLE: Deputy Director Division of Medicaid Field Operations South	
23. REMARKS:			

State: ALABAMA

PROPOSED SECTION 4 - GENERAL PROGRAM ADMINISTRATION

4.5 Medicaid Recovery Audit Contractor Program

<p><u>Citation</u></p> <p>Section 1902(a)(42)(B)(i) of the Social Security Act</p>	<p><u>N/A</u> 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.</p> <p><u>X</u> The State is seeking an exception to establishing such program for the following reasons:</p> <p>The State is seeking an exception to 42 CFR §455.508(b), the requirement that the RAC must hire a minimum of 1.0 FTE Contractor Medical Director. The State shall require the RAC to hire no less than 0.1 FTE named and available medical director who is a Doctor of Medicine or Doctor of Osteopathy in good standing with the relevant State licensing authorities. Approval of this exception will attract potential bidders.</p>
<p>Section 1902(a)(42)(B)(ii)(I) of the Act</p>	<p><u>N/A</u> The State/Medicaid agency has contracts of the type(s) listed in section 1902(a)(42)(B)(ii)(I) of the Act. All contracts meet the requirements of the statute. RACs are consistent with the statute.</p>
<p>Section 1902 (a)(42)(B)(ii)(II)(aa) of the Act</p>	<p>Place a check mark to provide assurance of the following:</p> <p><u>N/A</u> The State will make payments to the RAC(s) only from amounts recovered.</p> <p><u>N/A</u> The State will make payments to the RAC(s) on a contingent basis for collecting overpayments.</p> <p>The following payment methodology shall be used to determine State payments to Medicaid RACs for recovered overpayments (e.g., the percentage of the contingency fee):</p>
<p>Section 1902 (a)(42)(B)(ii)(II)(bb) of the Act</p>	<p><u>N/A</u> The State attests that if the contingency fee rate paid to the Medicaid RAC will exceed the highest rate paid to Medicare RACs, as published in the Federal Register, the State will only submit for</p>

<p>Section 1902 (a)(42)(B)(ii)(III) of the Act</p> <p>Section 1902 (a)(42)(B)(ii)(IV)(aa) of the Act</p> <p>Section 1902 (a)(42)(B)(ii)(IV)(bb) of the Act</p> <p>Section 1902 (a)(42)(B)(ii)(IV)(cc) of the Act</p>	<p>FFP up to the amount equivalent to that published rate.</p> <p><u>N/A</u> The following payment methodology shall be used to determine State payments to Medicaid RACs for underpayments:</p> <p><u>N/A</u> The State will submit a justification seeking to pay the Medicaid RAC(s) a contingency fee higher than the highest contingency fee rate paid to Medicare RACs as published in the Federal Register.</p> <p><u>N/A</u> The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).</p> <p><u>N/A</u> 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.</p> <p><u>N/A</u> The State assures that the recovered amounts will be subject to a State’s quarterly expenditure estimates and funding of the State’s share.</p> <p><u>N/A</u> 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.</p>
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