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State/Territory Name: District of Columbia

State Plan Amendment (SPA) #: 19-006

This file contains the following documents in the order listed:

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



Centers for Medicaid & CHIP Services

SWIFT #102220194023

December 19, 2019

Melisa Byrd
Medicaid Director
Department of Health Care Finance
441 4th Street, N.W., 9th floor, South
Washington, D.C. 20001

Dear Director Byrd:

I am writing to inform you that we have reviewed the District of Columbia's State Plan Amendment (SPA) 19-006 entitled, Medicaid Recovery Audit Contractor (RAC) Program. This amendment will authorize the District to reimburse the Medicaid RACs up to the highest contingency fee used under the Medicare RAC Program.

We are pleased to inform you that, after extensive review, this amendment is approved; its effective date is January 1, 2020. A copy of the approved SPA pages and signed CMS-179 form are included under this cover.



If you have any further questions regarding this SPA, please contact LCDR Frankeena McGuire at 215-861-4754 or by email at Frankeena.McGuire@cms.hhs.gov.

Sincerely,

A redacted signature consisting of two black rectangular boxes. A small pink ribbon icon is visible between the two boxes.

Francis T. McCullough
Deputy Group Director
Financial Management Group

cc: Alice Weiss, DHCF
Eugene Simms, DHCF
Sabrina Tillman Boyd, CMS

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 19-006	2. STATE: District of Columbia
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		3. PROGRAM IDENTIFICATION: Title XIX of the Social Security Act	
TO: Regional Administrator Centers for Medicare & Medicaid Services Department of Health and Human Services		4. PROPOSED EFFECTIVE DATE: January 1, 2020	
5. TYPE OF PLAN MATERIAL (Check One): <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 (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: Section 1902(a)(42)(B)(i)		7. FEDERAL BUDGET IMPACT: FFY20: \$0 FFY21: \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.5-: pages 1-2		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.5: pages 1-2	
10. SUBJECT OF AMENDMENT: Medicaid Recovery Audit Contractor Program			
11. GOVERNOR'S REVIEW (Check One) <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: D.C. Act: 23-209	
12. SIGNATURE OF STATE AGENCY OFFICIAL 		16. RETURN TO Melisa Byrd Senior Deputy Director/Medicaid Director Department of Health Care Finance 441 4 th Street, NW, 9 th Floor, South Washington, DC 20001	
13. TYPED NAME Melisa Byrd			
14. TITLE Senior Deputy Director/Medicaid Director			
15. DATE SUBMITTED OCT 21 2019			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED October 21, 2019		18. DATE APPROVED December 19, 2019	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL January 1, 2020		20. SIGNATURE OF REGIONAL OFFICIAL 	
21. TYPED NAME Francis T. McCullough		22. TITLE Deputy Group Director	

SECTION 4 - GENERAL PROGRAM ADMINISTRATION

State/Territory: DISTRICT OF COLUMBIA

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><input type="checkbox"/> 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><input checked="" type="checkbox"/> The State is seeking an exception to establishing such program for the following reasons: The Department of Health Care Finance (DHCF) procures goods and services through the District’s centralized Office of Contracting and Procurement. Based on the additional approvals required, DHCF will operationalize the RAC Program no later than October 1, 2012. The District may pay up to a 17.5% contingency fee for any type of claim with an effective date of November 9, 2019.</p>
<p>Section 1902(a)(42)(B)(ii)(I) of the Act</p>	<p><input type="checkbox"/> 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>Place a check mark to provide assurance of the following:</p> <p><input checked="" type="checkbox"/> The State will make payments to the RAC(s) only from amounts recovered.</p> <p><input checked="" type="checkbox"/> The State will make payments to the RAC(s) on a contingent basis for collecting overpayments.</p>
<p>Section 1902 (a)(42)(B)(ii)(II)(aa) of the Act</p>	<p>The following payment methodology shall be used to determine State payments to Medicaid RACs for identification and recovery of overpayments (e.g., the percentage of the contingency fee):</p> <p><input checked="" type="checkbox"/> The State attests that the contingency fee rate paid to the Medicaid RAC will not exceed the highest rate paid to Medicare RACs. The District may pay up to the highest contingency fee used under the Medicare RAC Program for any type of claim.</p> <p><input type="checkbox"/> The State attests that 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 FFP up to the amount equivalent to that published rate.</p>

SECTION 4 - GENERAL PROGRAM ADMINISTRATIONState/Territory: DISTRICT OF COLUMBIA

<p>Section 1902 (a)(42)(B)(ii)(II)(bb) of the Act</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><input type="checkbox"/> The contingency fee rate paid to the Medicaid RAC that will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will submit a justification for that rate and will submit for FFP for the full amount of the contingency fee.</p> <p><input checked="" type="checkbox"/> 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):</p> <p>The District will pay Medicaid RACs up to the highest contingency fee used under the Medicare RAC Program for any type of claim.</p> <p><input checked="" type="checkbox"/> The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).</p> <p><input checked="" type="checkbox"/> 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><input checked="" type="checkbox"/> 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><input checked="" type="checkbox"/> 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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