Table of Contents

State/Territory Name: Florida

State Plan Amendment (SPA) #:15-0001

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services Atlanta Regional Office 61 Forsyth Street, Suite 4T20 Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

May 14, 2015

Mr. Justin Senior Deputy Secretary for Medicaid Agency for Health Care Administration 2727 Mahan Drive, Mailstop #20 Tallahassee, Florida 32308

Attention: April Cook

RE: Title XIX State Plan Amendment, FL 15-0001

Dear Mr. Senior:

We have reviewed the proposed State Plan Amendment, FL 15-001, which was submitted to the Atlanta Regional Office on March 10, 2015. This amendment allows the Florida Medicaid program an additional exemption to the Medicaid Recovery Audit Contractor (RACs) requirement for a period of one year. The new expiration date for this amendment is June 30th, 2016. By the end of the expiration period, Florida agrees to have implemented a Medicaid RAC program, by signing a contract with a RAC vendor.

Based on the information provided, the Medicaid State Plan Amendment FL 15-0001 is approved May 14, 2015. The effective date of this amendment is March 19, 2015. We are enclosing the approved HCFA-179 and the plan pages.

If you have any questions or need any further assistance, please contact Etta Hawkins, R.Ph. at (404) 562-7429.

Sincerely,

//s//

Jackie Glaze Associate Regional Administrator Division of Medicaid & Children's Health Operations

Enclosure

DEPARTMENT OF HEALTH AND HUMAN SERVICES HEALTH CARE FINANCING ADMINISTRATION		FORM APPROVED OMB NO. 0938-0193	
TRANSMITTAL AND NOTICE OF APPROVAL OF	1. TRANSMITTAL NUMBER:	2. STATE	
STATE PLAN MATERIAL	2015-001	Florida	
FOR: HEALTH CARE FINANCING ADMINISTRATION	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)		
TO: REGIONAL ADMINISTRATOR	4. PROPOSED EFFECTIVE DATE		
HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	March 19, 2015		
5. TYPE OF PLAN MATERIAL (Check One):			
	CONCIDEDED AC NEW DI AN		
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: (in thousands)			
1902(a)(42)(B)(i) of the Act	FFY 2014-2015 \$0	nousands)	
1902(a)(42)(D)(1) of the Act	FFY 2015-2016 \$0		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Section 4.5b	9. PAGE NUMBER OF THE SUPERS OR ATTACHMENT (If Applicable): Section 4.5b		
10. SUBJECT OF AMENDMENT: Medicaid Recovery Audit Contractors Extension for Exception 11. GOVERNOR'S REVIEW (Check One): □ GOVERNOR'S OFFICE REPORTED NO COMMENT □ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED □ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: //s//	16. RETURN TO: Mr. Justin M. Senior	- y	
13. TYPED NAME:	Deputy Secretary for Medicaid		
Mr. Justin M. Senior	Agency for Health Care Administration		
14. TITLE:	- 2727 Mahan Drive, Mail Stop #8		
Deputy Secretary for Medicaid	Tallahassee, FL 32308		
15. DATE SUBMITTED:	Attention: April Cook		
FOR REGIONAL OF	-		
17. DATE RECEIVED:	18. DATE APPROVED: 05-14-15		
03-10-15			
PLAN APPROVED - ON			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 03-19-15	20. SIGNATURE OF REGIONAL OFF		
21. TYPED NAME: Jackie Glaze	22. TITLE: Associate Regional Admini Division of Medicaid & Children Healt		
23. REMARKS:			

Revision:

State Florida

PROPOSED SECTION 4 - GENERAL PROGRAM ADMINISTRATION

Citation	
Section 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.
	X The State is seeking an exception to establishing such program for the following reasons:
	The Medicaid RAC Rule 42 CFR §455.506(a)(1) provides that "States may exclude managed care claims from review by Medicaid RACs." In 2014, Florida continued its statewide expansion of Medicaid managed care. Approximately 85% of the Florida Medicaid population is now enrolled in managed care.
	Florida is taking steps to procure a vendor for the fee-for-service Med RAC program. The Agency anticipates funding will be available for the RAC program in the spring of 2015. Florida's current exception to establish a fee-for-service RAC expires on March 19, 2015. Funding for the RAC program will not be available by the current expiration date. The procurement process cannot be completed until funding becomes available.
	Florida is requesting the exception to establish a RAC be extended through June 30, 2016. This additional time will allow for the procurement process to be completed.
Section 1902(a)(42)(B)(ii)(I) of the Act	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. Place a check mark to provide assurance of the following:
	The State will make payments to the RAC(s) only from amounts recovered.
	The State will make payments to the RAC(s) on a contingent Basis for collecting overpayments.

4.5b Medicaid Recovery Audit Contractor Program

Section 1902 (a)(42)(B)(ii)(II)(aa) of the Act	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):
	The State attests that the contingency fee rate paid to the Medicaid RAC will not exceed the highest rate paid to Medicare RACs, as published in the Federal Register.
	The State attests that the contingency fee rate paid to the Medicaid RAC will exceed the highest rate paid to Medicare RAC as published in the Federal Register. The State will only submit for FFP up to the amount equivalent to that published rate.
	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.
Section 1902 (a)(42)(B)(ii)(II)(bb) 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):
Section 1902 (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).
Section 1902 (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.
Section 1902(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.
Section 1902 (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.