
Table of Contents

State/Territory Name: Oregon

State Plan Amendment (SPA) #: 17-0008

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
Seattle Regional Office
701 Fifth Avenue, Suite 1600, MS/RX-200
Seattle, WA 98104



Division of Medicaid & Children's Health Operations

October 2, 2017

Patrick Allen, Director
Oregon Health Authority
500 Summer Street Northeast, E-15
Salem, Oregon 97301-1079

RE: Oregon State Plan Amendment (SPA) Transmittal Number 17-0008

Dear Mr. Allen:

The Centers for Medicare & Medicaid Services (CMS) has completed its review of Oregon State Plan Amendment (SPA) Transmittal Number 17-0008. This transmittal is being submitted to request an exemption pursuant to 42 CFR 455.508(f) to the regulation requiring the states Recovery Audit Contractors (RAC) not review claims older than 3 years, as well as correct the Section number.

This SPA is approved effective October 1, 2017, as requested by the state.

If there are additional questions please contact me, or your staff may contact Bill Vehrs at bill.vehrs@cms.hhs.gov or at (503) 399-5682.

Sincerely,

Digitally signed by David L. Meacham



Date: 2017.10.02 11:35:37 -07'00'

David L. Meacham
Associate Regional Administrator

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
17-0008

2. STATE
Oregon

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID) Medical Assistance

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
10/1/17

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:
Section 1902(a)(42)(B)(ii)(I) of the Act

7. FEDERAL BUDGET IMPACT:
a. FFY 2018 \$ (1,264,000)
b. FFY 2019 \$

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Administration, section 4.5b, page 36b-36c

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Administration, section 4.5, page 36b-36c

10. SUBJECT OF AMENDMENT: This transmittal is being submitted to request and exemption pursuant to 42 CFR 455.508(f) to the regulation requiring the states RAC not review claims older than 3 years as well as correct the section number.

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

OTHER, AS SPECIFIED: The Governor does not wish to review any plan materials.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME David Simnitt

14. TITLE: Interim Medicaid Director, OHA

15. DATE SUBMITTED:

8/16/17

16. RETURN TO:

Oregon Health Authority
Medical Assistance Programs
500 Summer Street NE E-65
Salem, OR 97301

ATTN: Jesse Anderson, State Plan Manager

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
8/16/17

18. DATE APPROVED:
10/2/17

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
10/1/17

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME: David L. Meacham

22. TITLE: Associate Regional Administrator

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

Medical Assistance Program

State/Territory: OREGON

SECTION 4 – GENERAL PROGRAM ADMINISTRATION

Citation(s)

4.5b Medicaid Recovery Audit Contractor program

Section 1902(a)(42)(b)(i) of the 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.

The State is seeking an exception to establishing such program for the following reasons:

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)(B)(ii)(I) of the Act. All contracts meet the requirements of the statute. RACs are consistent with the statute.

The State is requesting an exception to 42 CFR § 455.508(f) so that the Medicaid RAC will be allowed to review claims that are up to seven years old, with the start date being the date the claim was submitted to the State or one of its agents. This exception is required for the following reasons:

- Claim specific detail may be present documenting an overpayment exists for periods beyond the three years specified in Section 42 CFR 455.508(f);
- A look back period longer than three years is more consistent with OHA Medicaid provider record retention requirements.

There is no time limits on the look back period when fraud is involved.

Place a check mark to provide assurances 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.

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.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

Medical Assistance Program

State/Territory: OREGON

SECTION 4 – GENERAL PROGRAM ADMINISTRATION

Citation(s)

4.5b Medicaid Recovery Audit Contractor program (Cont)

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

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.