



## Kansas Medical Assistance Program



June 2011

Provider Bulletin Number 11071

# General Providers

## Recovery Audit Contractor Frequently Asked Questions

Health Data Insights, Inc (HDI) is the Medicaid Recovery Audit Contractor (RAC) for the State of Kansas. Frequently asked questions concerning the Medicaid RAC are included with this bulletin. This publication is an update to General Bulletin 11054. More information will be published in the near future, including a link to HDI's provider portal which allows providers to track audits and change HDI's point of contact for record requests.

Information about the KHPA Medical Plans as well as provider manuals and other publications are available at <https://www.kmap-state-ks.us>.

If you have any questions, please contact Customer Service at 1-800-933-6593 (in-state providers) or 785-274-5990 from 8:00 a.m. until 5:00 p.m., Monday through Friday.

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HP Enterprise Services is the fiscal agent and administrator of the KHPA Medical Plans.



## **Approved FAQ's for the Provider Portal**

### **General**

1. Who is the Medicaid RAC contractor? And where are they located?

**Health Data Insights, Inc. is the Recovery Audit Contractor (RAC) for the State of Kansas Medicaid.**

**HDI address is:           7501 Trinity Peak  
Suite 210  
Las Vegas, NV 89128**

2. What is a Medicaid RAC program and why is it being implemented?

**The Medicaid RAC Program is mandated by the Patient Protection and Affordable Care Act (PPACA) which is a federal statute that was signed into law by President Barack Obama on March 23, 2010, and is part of the Health Care Reform Act of 2010. The RAC was also required by the State of Kansas fiscal year 2010 budget bill. This RAC program was implemented by the states including the State of Kansas and is aimed at detecting, identifying, and correcting past Medicaid improper payments to healthcare providers and encouraging providers to implement actions that will prevent future improper payments.**

3. What types of improper payments is HDI looking for?

**HDI is tasked to review the claims data that it receives from the State of Kansas Medicaid for both underpayments and overpayments in the Medicaid program, including incorrect payment amounts, noncovered services, incorrectly coded services, and duplicate services.**

4. Who are the Kansas contacts from HDI for the RAC? Include hours of operation and toll free number.

### **HDI Contact Information:**

**Provider Services Department**

**Contact Number: (877) 401-3635**

**Hours of Operation: 8:00 a.m. to 5:00 p.m. (CST)**

**This provider number will be operational beginning the week of June 6, 2011.**

5. When will the RAC audit process start?

**Request for medical records will begin in June for some providers.**

6. What determines whether an automated or complex review is performed?

**All new improper payment issues that HDI develops must first be approved by the State of Kansas Medicaid prior to HDI mailing correspondence to providers.**

### **Communications**

7. How will the RACs communicate with providers?

**Health Data Insights, Inc. (“HDI”) will mail a letter indicating all improper payment findings. In addition, the provider will receive adjustment confirmation via his or her provider remittance.**

8. What are the different types of letters that my facility will receive related to improper payments?

**The letters the RACs will send vary by whether an improper payment has been identified by automated or complex review. For automated reviews, providers will receive a demand letter. For complex reviews, providers will receive a medical record request letter and, if applicable, a subsequent demand letter.**

9. What is a Recovery Audit Contractor (RAC) demand letter?

**A RAC demand letter is a letter sent to the provider notifying them that an improper payment for the Medicaid program has been identified. This letter contains the reason the payment is improper, the amount of the improper payment, the timeframe in which the improper payment will be adjusted, the regulation related to the improper payment, key timeframes within the process, where to send a request for Administrative Reconsideration and Fair Hearings Appeal, and details regarding the administrative reconsideration period available. An Audit Detail is included with the demand letter listing the specifics of the improper payment.**

10. Is there a provider portal?

**Providers will have access to the HDI provider portal. The provider portal enables providers to customize their contact information, review additional document request(s), as well as the receipt and review status of those records.**

11. What information can be accessed through the provider portal?

**After the login process, you have the ability to view and change contact information, view HDI requests for medical records, and view the tracking of the medical records received.**

12. How do I change/update provider contact information?

**After the login process, you access the Account Management header and use the drop-down box for Contact Information. Three columns of information appear. The first column is the Address from the Claims Processing Contractor (CPC) and cannot be edited. The second column is the Contact to Receive Medical Record Request Letters. You may edit or delete contact information from this column. If you delete this information, the contact will default to the CPC contact information. The third column is the Contact to Receive Improper Payment Letters. You may edit or delete contact information from this column as well. If you delete this information, the contact will default to the CPC contact information. Add Web Users is found at the bottom of this page and allows up to a total of seven web users. Remember that any contact information in Column 2 and/or Column 3 is included in this total so if both columns are completed (even with the same information), you can only add five additional web users.**

13. Why can't I access or login to my account on the HDI web portal?

**For security purposes, providers can only access HDI's web portal using Internet Explorer 7.0 or higher and Firefox 3.0 or higher. Internet Explorer 7.0 contains critical security updates not contained in earlier versions. If a provider has not upgraded to Internet Explorer 7, which was released in October 2006, they will need to download the free software to access the web portal.**

### **Medical Records Request**

14. What are my options for sending medical records?

**At this time, you can send paper copies via first class U.S. mail. (HDI does not reimburse for the expense of courier services such as FedEx or UPS. Any records sent using such courier services is at the expense of the provider). Faxed or scanned images can be sent via an encrypted CD/DVD. Instructions and submission options will be supplied in HDI's medical record request letter.**

15. How long does it take for HDI to update the web portal with records received?

**It takes HDI seven days to update the portal to reflect medical record receipt.**

16. Will I be reimbursed for the cost of producing the medical records?

**Providers will not be reimbursed for the cost of producing medical records per Medicaid policy.**

17. How long does HDI have to review the records I have sent?

**In virtually all circumstances, HDI will complete its reviews within 90 days. You will receive a notification of the review results for every complex review.**

18. How far back can HDI go in reviewing claims?

**The RAC shall not attempt to identify any overpayment more than four years past the date of the initial determination made on the claim or, for underpayments, more than two years past the date of the initial determination made on the claim. The initial determination date is defined as the claim paid date.**

19. I know the Medicaid RAC can review claims up to four years for overpayments and two years for underpayments. Please explain how the periods are determined.

**Overpayments cannot be audited more than four years past the initial claims paid date and underpayments not more than two years past the initial claims paid date.**

**• For complex reviews (where medical records are requested), the “look back” period is calculated by starting with the date the initial claim is paid and ends with the date the RAC issues the medical record request. Complex Review EXAMPLE: Claim date of service = 9/01-9/04/2007. Initial claim payment date = 10/4/2007. The RAC has up to four years from the initial claim paid date of 10/4/2007 to issue a medical record request (e.g., until 10/4/2010). If a medical request is DATED on or before 10/4/2010, it is within the “look back” period and the provider should promptly respond to the request.**

**• For automated reviews, the “look back” period is calculated by starting with the initial claims paid date and ends with the date of the overpayment notification letter (demand letter). Automated Review EXAMPLE: Claim date of service = 8/12/2007. Initial claim payment date = 1/18/2008. The RAC has up to four years from the initial claim paid date (1/18/2008) to issue a demand letter request (e.g., until 1/18/2011). If a demand letter is DATED on or before 1/18/2011, it is within the “look back” period and the provider should promptly respond to the request.**

20. How do I track the status of the medical records I have sent to HDI?

**After the login process, you access the Medical Record Tracking header. You are then directed to the Medical Record Tracking screen which provides the RAC Case ID, Medical Record Number, Date of Service From, Date of Service To, Documentation Requested (which indicates the date HDI requested the documentation), Documentation Received (which indicated the date HDI received the documentation), Improper Payment Notification Letter (which indicates the date the review results were sent from HDI).**

## Appeals

21. What do I do when I receive a RAC demand letter?

**You should first review the demand letter, Medicaid regulation, and audit detail to understand the improper payment determination. The claim overpayment will be available for offset 33 days after the demand letter date. If you have additional information or disagree with the demand letter, you may file an Administrative Reconsideration with the RAC by following the directions on your demand letter or you may file an appeal through Fair Hearings which, if done within 30 days, stops recoupment. If you file an Administrative Reconsideration and disagree with the finding, you will still have an opportunity to file a subsequent Fair Hearing Appeal. We strongly urge providers to submit any documentation or information relating to an Administrative Reconsideration with the RAC as soon as possible.**

22. Can I appeal an underpayment?

**If you do not agree with an underpayment determination, you can inform HDI that you do not agree with the determination and HDI will close the claim.**

23. How do I open an Administrative Reconsideration with the RAC?

**You obtain the Administrative Reconsideration form from the HDI provider portal at [www.MedicaidRACinfo.HDI@emailHDI.com](http://www.MedicaidRACinfo.HDI@emailHDI.com). The Administrative Appeal form is the first item after selecting the Provider Information tab. Fill in the information requested and submit any documentation and information that is pertinent to your case to indicate why HDI should reconsider the finding. Fax the form and any documentation to HDI at 702-240-5583. This provider portal and number will be operational beginning the week of June 6, 2011.**

24. What happens to the documentation and information that is submitted with the Administrative Reconsideration form?

**The documentation and information is reviewed by the appropriate person at HDI and a determination is made to either uphold or overturn the overpayment determination. A letter is sent to the provider advising them of the Reconsideration determination. If HDI closes the finding after review of the Administrative Reconsideration information, HDI will work with the Medicaid Claims Processing Contractor to close the AR or refund the monies if the offset has already occurred.**

## **RECOUPMENT/ REBILLING**

26. How do I know that an account has been recouped?

**HDI mails a Demand/Findings Letter then HDI submits a claim to the State of Kansas Medicaid. The State of Kansas Medicaid or the fiscal agent adjusts applicable claims in the system. The provider will receive a remittance with details.**

27. Will the entire amount of the claim or line item be recouped?

**Depending on the type of audit performed and the findings associated with the claim, HDI recoupment may be the entire claim or specific to one or more claim lines. In some circumstances, the adjustment performed by the fiscal agent may identify an additional reason for improper payment (associated findings). If an associated finding is identified, the reason for the improper payment will be reflected on the provider remittance.**

28. I would like to submit a corrected claim. What are the guidelines for submission of a corrected claim?

**Any claim filed with the State of Kansas Medicaid must be within its timely filing limits, including corrected claims.**

## **MISC.**

29. Will practices be able to list a contact person via group NPIs?

**Providers will not be able to update by group NPI at this time. A provider can update with his or her individual number.**