



STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
 MEDICAL ASSISTANCE PROGRAM

	<p>Federal Register.</p> <p>_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> <p>_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>
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<p>Section 1902(a)(42)(B)(ii)(II)(bb) of the Act</p>	<p>_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): Percentage of recovery established through procurement process.</p>
<p>Section 1902(a)(42)(B)(ii)(III) of the Act</p>	<p>_The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).</p>
<p>Section 1902(a)(42)(B)(ii)(IV)(aa) of the Act</p>	<p>_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 waiver of the plan.</p>
<p>Section 1902(a)(42)(B)(ii)(IV)(bb) of the Act</p>	<p>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>Section 1902(a)(42)(B)(ii)(N)(cc) of the Act</p>	<p>_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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State of Mississippi

**4.5 Medicaid Recovery Audit Contractor Program**

Citation

Section 1902(a)(42)(B)(i)  
of the Social Security Act

Effective April 1, 2017, 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:

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

- The Mississippi Medicaid Program Integrity (PI) Division maintains and operates dedicated fraud, waste, and abuse activities, including post-payment reviews, financial and provider audits carried out by Medicaid for Fee for Service and Mississippi's managed care plans. PI works closely with the Medicaid Fraud Control Unit (MFCU).
- The State maintains and uses a technical solution that contains a robust suite of data analytics which automatically generate potential leads and supports the identification of fraud, waste and abuse.
- The last RAC contractor found few recoveries during the years of review.
- The Program Integrity Division works closely with its assigned Unified Program Integrity Contractor (UPIC). The collaboration with our designated UPIC and its established operational processes provided has been found to be effective in detection of FWA and subsequent completion of audit and investigation activities.
- Mississippi Medicaid also maintains an active contract with a Utilization Review Contractor that allows us to further identify, address and mitigate FWA.
- The State maintains a low rate of errors in Medicaid payments, as evidenced by the most recent PERM review.

Section  
1902(a)(42)(B)(ii)(II)(aa)  
of the Act

Pursuant to 42 CFR § 455.516, the Division of Medicaid is seeking an exception to 42 CFR § 455.502(b), which requires contracting with a RAC. ~~The Division of Medicaid's RAC contract expired on March 31, 2021. The Division of Medicaid submitted an amendment to Mississippi Department of Finance and Administration requesting an extension for another year; however, prior to approval, a merger was completed creating a new entity. As such, the new entity cannot execute a new contract for RAC services for another year. The Division of Medicaid attempted to competitively procure another vendor. However, of the two offers submitted, neither met the minimum costs or federal/state requirements to be a RAC vendor and the procurement was cancelled. The Division of Medicaid seeks to extend its current waiver from seeking a RAC vendor approved in State Plan Amendment (SPA) 22-0024 for one (1) additional year in order to attempt to procure a new, competitively bid RAC contract that complies with current state and federal laws and regulations. The current waiver expires June 30, 2023.~~

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	<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 type="checkbox"/> The State will make payments to RAC(s) only from amounts recovered.</p> <p><input type="checkbox"/> The State will make payments to the RAC(s) on a contingent basis for collecting over payments.</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 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, as published in the</p>
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TN No. ~~23-002724-~~  
0013  
Supersedes  
TN No. ~~22-002423-0027~~

Date Received  
Date Approved:  
Date Effective:  
07/01/2024

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