



*Medicaid Integrity Program*

**Fact Sheet** NOVEMBER 2012

## **National Medicaid Audit Program**

### ***Background***

*Section 1936 of the Social Security Act created the Medicaid Integrity Program (MIP) and directed the Centers for Medicare & Medicaid Services (CMS) to enter into contracts to review Medicaid provider actions, audit claims, identify overpayments, and educate providers and others on Medicaid program integrity issues.*

### **What are the Audit MICs?**

Audit Medicaid Integrity Contractors (Audit MICs) are entities with which CMS has contracted to conduct post-payment audits of Medicaid providers. The overall goal of the provider audits is to identify overpayments and to ultimately decrease the payment of inappropriate Medicaid claims. At the direction of CMS, the Audit MICs audit Medicaid providers throughout the country. The audits ensure that Medicaid payments are for covered services that were actually provided and properly billed and documented. Audit MICs perform field audits and desk audits. The audits are conducted under Generally Accepted Government Auditing Standards.

### **Which providers will be subject to audit?**

Any Medicaid provider may be audited, including, but not limited to, fee-for-service providers, institutional and non-institutional, as well as managed care entities.

### **How are providers selected?**

A provider may be selected for audit through a number of ways including through data analysis by other CMS contractors as well as through collaborative efforts between States and CMS. Collaborative audits allow CMS and States to work together to identify issues and providers for audit. Typically state data and audit processes are used. The level of assistance that CMS provides can vary from conducting the entire audit to providing limited assistance such as nurses or other specialists to support state efforts. Regardless of how a provider is identified CMS works with States and law enforcement to ensure audits are being coordinated.

## **What should a provider do if it receives a Notification Letter that it has been selected for audit?**

Gather the requested documents as instructed in the letter. CMS contractors have the authority to request and review copies of provider records, interview providers and office personnel, and have access to provider facilities. Requested records must be made available to the Audit MICs within the requested timeframes. Generally, providers will have at least 30 business days before the start of an audit to make their initial production of documents to the Audit MICs. Audit MICs may accommodate reasonable requests for extensions on document production so long as neither the integrity nor the timeliness of the audit is compromised. The Audit MICs will also contact the provider to schedule an entrance conference. Notification Letters will identify a primary point of contact at the Audit MIC if there are specific questions about the Notification Letter or the audit process.

## **What process will follow the completion of the audit?**

The Audit MIC will prepare a draft audit report, which will first be shared with the State and thereafter with the provider. The State and the provider each will have an opportunity to review and comment on the draft report's findings. CMS will consider these comments and prepare a revised draft report. CMS will allow the State to review the revised draft report and make additional comments. Thereafter, CMS will finalize the audit report, specify any identified overpayment, and send the final report to the State. The State will pursue the collection of any overpayment in accordance with State law. Providers have full appeal rights under State law. The Audit MICs will be available to provide support and assistance to the States throughout the State adjudication of the audit.

## **Who are the Audit MICs?**

Umbrella contracts have been awarded to: Booz Allen Hamilton, Cognosante, IPRO, IntegriGuard, and Health Integrity, LLC. Task orders have been issued by CMS Region to the following MICs:

Regions I/II	IPRO
Regions III/IV	Health Integrity
Regions V/VII	Health Integrity
Regions VI/VIII	Health Integrity
Regions IX/X	IntegriGuard

*For information on the Medicaid Integrity Program, please visit <http://www.cms.hhs.gov/MedicaidIntegrityProgram> or e-mail [Medicaid\\_Integrity\\_Program@cms.hhs.gov](mailto:Medicaid_Integrity_Program@cms.hhs.gov).*