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State/Territory: Indiana

Citation
42 CFR 455.12
AT-78-90
48 FR 3742
52 FR 48817

4.5 Medicaid Agency Fraud Detection and Investigation Program

The Medicaid agency has established and will maintain methods, criteria, and procedures that meet all requirements of 42 CFR 455.13 through 455.21 and 455.23 for prevention and control of program fraud and abuse.

New: HCFA-PM-9 (CMSO)
199

State: Indiana

Citation		
Section 1902(a)(64) of the Social Security Act P.L. 105-33	4.5a	Medicaid Agency Fraud Detection and Investigation Program The Medicaid agency has established a mechanism to receive reports from beneficiaries and others and compile data concerning alleged instances of waste, fraud, and abuse relating to the operation of this title.

PROPOSED SECTION 4 - GENERAL PROGRAM ADMINISTRATION

4.5 Medicaid Recovery Audit Contractor Program

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: FSSA-OMPP utilizes the Fraud and Abuse Detection System (FADS) contract under FSSA Program Integrity to monitor the Indiana Health Coverage Programs for fraud, waste, and abuse, as well as identify underpayments and overpayments of Medicaid claims under the State plan and under any waiver of the State Plan. Indiana has adequate appeal processes in place for entities to appeal any adverse determinations made by FSSA Program Integrity. Indiana assures that the recovered amounts will be subject to the State's quarterly expenditure estimates and funding of the State's share. FSSA Program Integrity coordinates with all other State audit entities, as well as State and Federal law enforcement entities and the CMS Medicaid Integrity Program. The State of Indiana was previously granted an exception from CMS and now seeks an exception from October 1, 2025, through October 1, 2027.
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.
Section 1902 (a)(42)(B)(ii)(II)(aa) of the Act	___ The State will make payments to the RAC(s) on a contingent Basis for collecting overpayments. 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 RACs, 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): Flat fee-underpayments
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.