

**Department of Community Health**  
**SFY 2020 DOAA Performance Audit - Medicaid/PeachCare Program Integrity Updates**  
**March 9, 2023**

<u>Finding</u>	<u>Recommendation</u>	<u>Status</u>
1. DCH's program integrity efforts are fragmented and uncoordinated among various DCH units and its CMOs, which increases the risk of undetected and unrecovered improper payments.	DCH should assess and address risk of questionable payments in the Medicaid program utilizing an enterprise perspective that encompasses all organizational units, including Fee-For-Service and the four CMOs.	Partially Resolved
	DCH should assign responsibility for program integrity to a single party. This assignment would provide the discipline and structure necessary to coordinate and guide program integrity efforts.	Resolved
2. DCH does not analyze payment trends for providers across all Medicaid payers once questionable claims patterns indicative of fraud or abuse are identified.	Once a pattern of questionable claims is identified, DCH should analyze payment trends for providers across all Medicaid payers to identify whether corrective actions should be taken.	Resolved
3. DCH does not notify CMOs of providers DCH has identified as a potential risk for submission of questionable claims.	DCH should inform the CMOs of the providers it identifies with questionable claims practices to enable CMOs to implement timely detective and preventive controls.	Resolved
4. DCH does not ensure that all payers analyze claims data for providers placed on prepayment reviews by one payer to determine if the other payers should take similar actions.	DCH should revise its CMO contracts to allow DCH to direct CMOs to conduct improper billing risk assessments for providers who have been identified as risk by other payers and placed on prepayment reviews to determine if they should take similar actions.	Partially Resolved
5. DCH does not ensure that Fee-For-Service and CMOs review claims data for providers investigated by other payers to determine if they should also investigate.	DCH should revise its CMO contracts to require that CMOs assess the risk of improper billing practices for providers who have been investigated by other CMOs or the Fee For-Service program to determine if they should open an investigation.	Partially Resolved

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6.	DCH does not ensure that CMOs consistently report the termination of provider contracts due to concerns of program abuse or non-compliance.	<p>DCH should revise its CMO contracts to clearly define when and how the CMOs should report terminations related to fraud, integrity, and quality issues to DCH.</p> <p>DCH should develop a framework that allows for the informal communications of provider terminations made as a result of program integrity concerns, but not categorized as such by the CMOs. Such communication would alert DCH to assess its risk associated with these providers.</p>	<p>Partially Resolved</p> <p>Resolved</p>
7.	DCH has not defined acceptable levels of CMO program integrity activity or developed objectives for determining whether CMOs' activities are effective in identifying and preventing improper payments.	<p>DCH should clearly define standards or goals related to each CMO's program activity integrity activity levels. These goals should be included in the CMO contracts to provide the necessary foundations for assessing CMO performance and for enforcing the adherence to established standards.</p> <p>DCH staff should analyze CMO activity reports to identify trends in CMO program integrity activity levels and outcomes.</p> <p>DCH should establish performance standards related to the timeliness of investigation completion to ensure that associated overpayments remain eligible for recovery.</p> <p>DCH should track overpayment recoveries resulting from program integrity actions. Case reports should then be analyzed by DCH to identify baseline investigation outcome measures and to develop performance goals related to CMO overpayment recovery.</p>	<p>Partially Resolved</p> <p>Partially Resolved</p> <p>Partially Resolved</p> <p>Partially Resolved</p>
8.	DCH does not ensure that information reported by CMOs regarding the number and status of CMO program integrity investigations is accurate or complete.	DCH should consider eliminating the duplicative quarterly reports required of the CMOs. CMOs should report case information on one standard quarterly report.	Resolved

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	<p>If two reports are continued, DCH should review and compare quarterly fraud reports and quarterly meeting reports to identify potential discrepancies, gaps and errors.</p>	<p>Resolved</p>
	<p>DCH should require CMOs to report potential and actual overpayment recoveries. This information should be included as a separate field in the quarterly fraud reports and quarterly meeting reports.</p>	<p>Resolved</p>
	<p>DCH should develop an information system which would enable program integrity to track each CMOs caseload.</p>	<p>Partially Resolved</p>
<p>9. DCH does not ensure that it receives or communicates accurate and timely information regarding CMO fraud referrals or the status of CMO fraud investigations resulting in inadequate oversight of these cases.</p>	<p>DCH should develop an information system, which would enable program integrity to track cases referred to the Medicaid Fraud Control Unit (MFCU). Email correspondence should be eliminated to track case status.</p>	<p>Resolved</p>
<p>10. DCH does not monitor CMO cases to ensure that actions including fraud referrals, are made within the statutory time limits for administrative recovery of improper provider payments, resulting in forfeiture of approximately \$1.4 million in estimated recoverable funds.</p>	<p>DCH should issue notices to CMOs when MFCU investigations have concluded, which would enable the CMOs to resume their investigations and recover any associated overpayments.</p>	<p>Resolved</p>
	<p>The General Assembly should consider exempting the CMO's operations from O.C.G.A. 33-20A-62 to allow CMOs more time to conduct post-payment audits and recover associated overpayments. As in other states, DCH could facilitate Medicaid managed care audits and recoveries according to the time frames that currently exist for DCH in Fee-For-Services Medicaid (i.e., three years).</p>	<p>N/A</p>
	<p>DCH should implement procedures to monitor the status of CMO cases to ensure that all actions, including claims audits and fraud referrals, occur within the time frame allowed by state law for administrative recovery of overpayments.</p>	<p>Resolved</p>

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<p><b>11.</b> DCH does not ensure that CMOs monitor their subcontractor’s performance in preventing, detecting, and recovering improper Medicaid payments.</p>	<p>DCH should implement procedures to track the status of MFCU investigations to identify any CMO cases at risk of aging out of eligibility for administrative recovery and to request that the MFCU expedite their prosecution decision.</p>	<p>Resolved</p>
	<p>DCH should implement procedures to ensure that the contract documents contain necessary program integrity activity and reporting requirements.</p>	<p>Partially Resolved</p>
	<p>DCH should implement procedures to review program activity information reported by CMOs for indicators confirming CMOs’ subcontractors are conducting a satisfactory level of program integrity activities.</p>	<p>Partially Resolved</p>

updated 3/7/2023