Office of Medicaid Inspector General Updates
AFMC MMIS Annual Billing Workshop Fall 2023
OMIG Mission

To detect and prevent fraud, waste, and abuse within the medical assistance program.
Who Audits Medicaid?

• OMIG (Office of Medicaid Inspector General)
• Legislative Audit
• DHS (Retrospective Review)
• Qlarant (Unified Program Integrity Contractor)
• The PASSEs
**OMIG Requirements**

To prevent, detect, and investigate fraud, waste, and abuse in the Medicaid Program.

Verify whether services reimbursed by Medicaid were properly billed and actually furnished to beneficiaries;

Recover improperly expended funds;

Report fraud and abuse;

Refer cases to for criminal prosecution;

Recommend and implement changes in Medicaid
Where do OMIG audits come from?

- Fraud Hotline Complaints/Tips
- Law Enforcement Referrals
- Internal Referrals
- Referrals from Private Insurance Plans, PASSEs, other states
- Corrective Action Plan (CAP) compliance reviews
- OMIG Data Analytics
OMIG Data Analytics

OPTUM Fraud and Abuse Detection System (FADS)

- Provider Spike Detection
- Peer Review Analysis & Outlier Identification
- Algorithms
  - Impossible Days
  - Overlapping Services
  - Unbundling Procedures
- Claims Risk Analysis
- High-Cost Member Reporting
OMIG Audit Process

Field Audit

• Onsite Review
• Staff and Management Interviews

Audit Scope:
• OMIG may review claims that are 3 years old
• OMIG may review claims that are 5 years old if fraud is suspected
OMIG Audit Process

Desk Audit

- OMIG requests records from the provider
- The provider must respond to a records request within 14 calendar days
- Audit Scope typically three years
OMIG Audit Process

Field Audit
• OMIG requests records from the provider
• Must provide records during field audit
  • Some exceptions apply!
• Advance notice is not required
Authority to Request Records

Program Integrity Function

• Arkansas Medicaid Manual
• §142.300 - Conditions Related to Record Keeping
• MAINTAIN YOUR RECORDS!!!
• Enrollment Contract requirement
• §151.000 - Grounds for Sanctioning Providers

Subpoena Power and Production of Records

• Ark. Code Ann. §20-77-2506
What are the possible outcomes of an OMIG audit?

Potential Outcomes

• No findings
• Area of Concern
• Observations - Non-monetary
• Findings – repayment
• MFCU/Law Enforcement Referral
  Credible allegation of fraud requires temporary suspension; possible exclusion from program
OMIG duties regarding Self-Reporting & Self-Disclosure

• Develop protocols for efficient self-disclosure
• Consider a Medicaid Provider’s good faith as a mitigating factor
• Self-Disclosure protocol on OMIG website https://omig.arkansas.gov

• **Note:** it is important for a provider to work with OMIG and not reverse claims unless told to do so. This creates uncertainty in the self-disclosure process.
Provider Self-Disclosure Protocol
Provider duties regarding Corrective Action Plans

• Develop a plan of action addressing findings, observations, and areas of concern
• Be specific in your steps and procedure
• Provide a person/name/position for accountability
• Provide date plan implemented
Corrective Action Plans

Corrective Action Plan

The Arkansas Medicaid Provider Manual requires the submission and approval of a Corrective Action Plan (CAP) when requested by the Office of the Medicaid Inspector General (OMIG) in conjunction with a Program Integrity Audit Report or Review.

Arkansas Medicaid Provider Manual Section I 151.000 allows for sanctions to be imposed against a Medicaid provider in certain instances, including if a provider fails to submit an acceptable corrective action plan when requested.

What is a Corrective Action Plan?

A corrective action plan is a plan of action developed to address findings and observations that have been identified by the OMIG Program Integrity Division during a field audit or a desk audit. The CAP gives a Medicaid provider the opportunity to analyze your program and identify the root causes of the identified findings and observations, and to develop a corrective action to address the findings and observations to ensure future compliance with the Arkansas Medicaid Provider Manual.

Preparing Your CAP

Should the Arkansas Office of the Medicaid Inspector General audit your program, OMIG will issue an Audit Report or Review. If OMIG determines the provider has deficiencies, these deficiencies may be noted in the Audit Report’s Findings or Observations.

The first step in preparing your CAP is to review the specific findings/observations noted in the audit report and determine the root cause of the deficiency and the applicable Medicaid Manual sections. Your CAP should always include the following information:

- Copy and identify the specific Audit Finding/Observation that is being addressed.
How can I report Medicaid Fraud to OMIG?

- OMIG Fraud Hotline: 1-855-527-6644
- Omig.fraud@arkansas.gov
- Report Medicaid Fraud, Waste, or Abuse to the Office of Medicaid Inspector General. *

*If viewing this slide electronically, this is a direct link to the online portal to report fraud.
Q&A
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