



Office of Medicaid Inspector General Updates

AFMC MMIS Annual Billing Workshop Fall 2022

ELIZABETH THOMAS SMITH

CABINET SECRETARY, MEDICAID INSPECTOR GENERAL

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)



OMIG Requirements

Program Integrity - 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 to US HHS;

Refer cases to AG MFCU & law enforcement 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 Other Carriers - Private Insurance Plans, PASSEs, or Managed Care Organizations (MCOs)*
- *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

- *Offsite Review*
- *OMIG requests records from the provider*
- *The provider must respond to a records request within 14 calendar days*
- *Audit Scope*
 - *3 years*
 - *5 years if fraud suspected*



Request for Records

Authority as 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 suspension of performer only

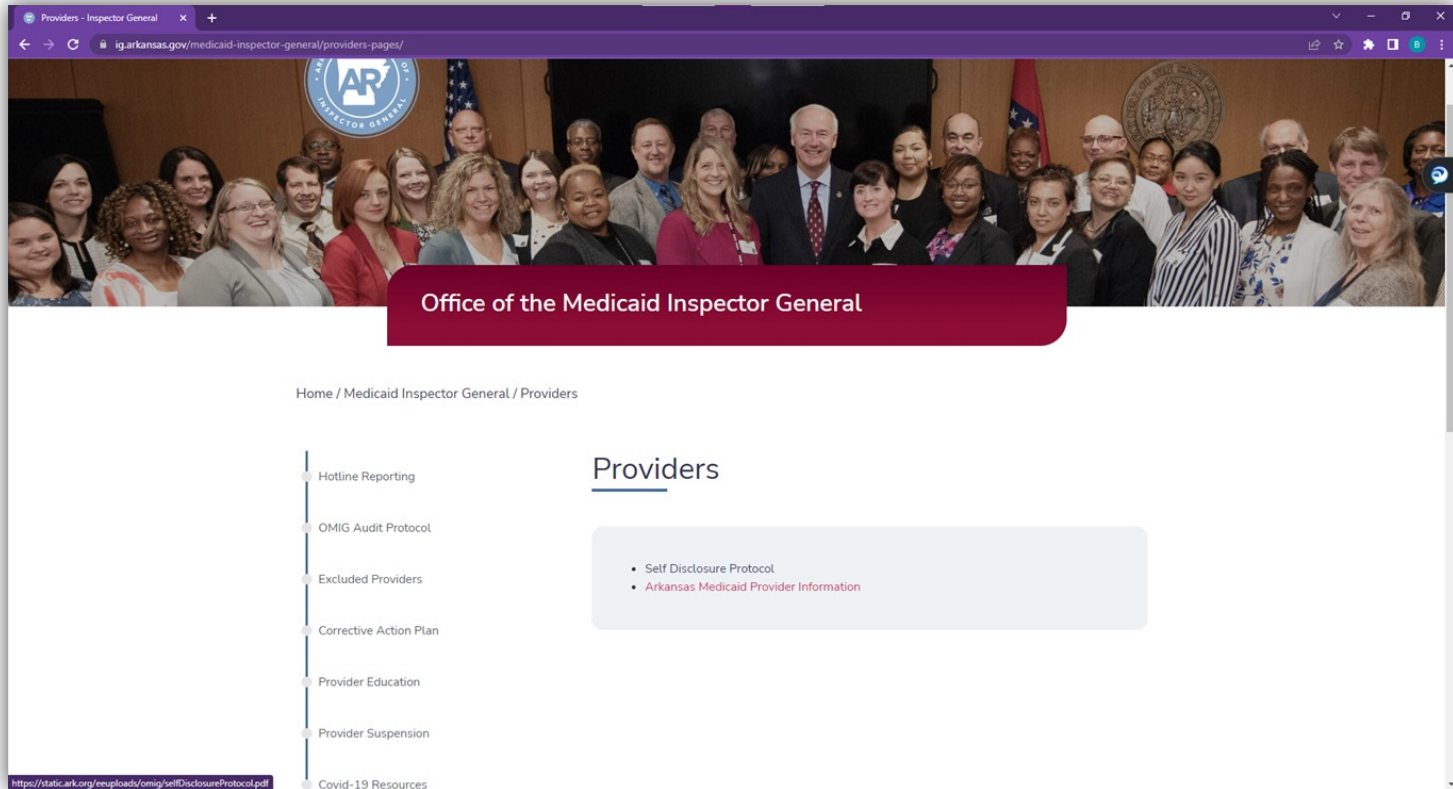


OMIG duties regarding Self-Reporting & Self-Disclosure

- 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



The screenshot shows a web browser window with the URL ig.arkansas.gov/medicaid-inspector-general/providers-pages/. The page features a large group photo of staff members in front of the Arkansas state seal. A maroon banner below the photo reads "Office of the Medicaid Inspector General".

Below the banner, the breadcrumb trail reads "Home / Medicaid Inspector General / Providers". A vertical navigation menu on the left lists the following items:

- Hotline Reporting
- OMIG Audit Protocol
- Excluded Providers
- Corrective Action Plan
- Provider Education
- Provider Suspension
- Covid-19 Resources

The main content area is titled "Providers" and contains a light blue box with the following links:

- Self Disclosure Protocol
- Arkansas Medicaid Provider Information

A footer link at the bottom left of the page reads <https://static.ark.org/reuploads/omig/selfDisclosureProtocol.pdf>.

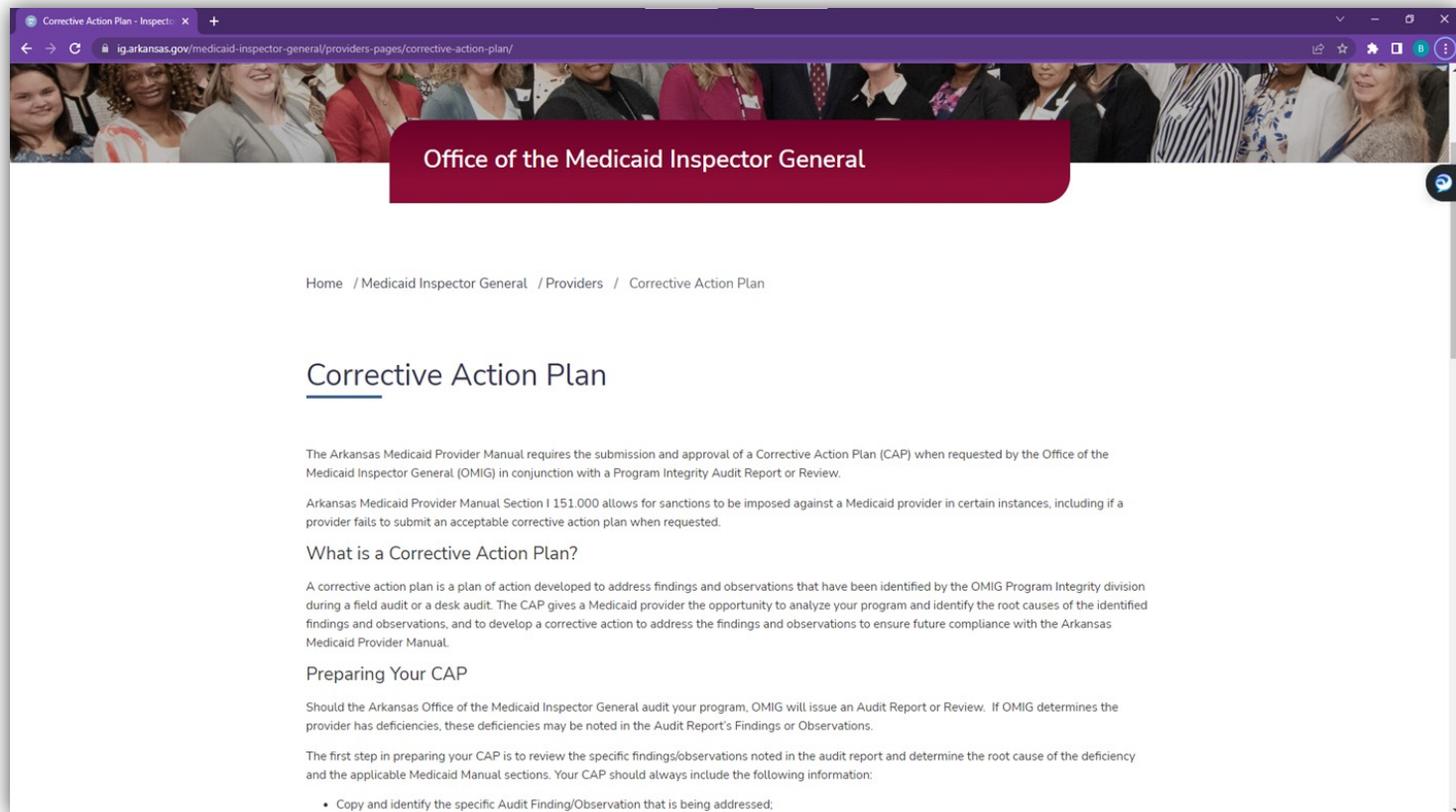


Provider duties regarding Corrective Action Plans

- Read the OMIG Report / Findings
- 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



Corrective Action Plans



The screenshot shows a web browser window with the URL ig.arkansas.gov/medicaid-inspector-general/providers-pages/corrective-action-plan/. The page features a header image of a diverse group of people, with a dark red banner overlaid containing the text "Office of the Medicaid Inspector General". Below the header, a breadcrumb trail reads "Home / Medicaid Inspector General / Providers / Corrective Action Plan". The main heading is "Corrective Action Plan". The text explains that 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. It also states that 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. The page includes sections for "What is a Corrective Action Plan?" and "Preparing Your CAP".

Office of the Medicaid Inspector General

Home / Medicaid Inspector General / Providers / Corrective Action Plan

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?

- By telephone – OMIG Fraud Hotline
1-855-527-6644
- Online – link to electronic reporting form on homepage
<https://omig.arkansas.gov>



Reporting Medicaid Fraud

Medicaid Inspector General - In: X +

ig.arkansas.gov/medicaid-inspector-general/

Medicaid Inspector General

The mission of the Office of Medicaid Inspector General (OMIG) is to prevent, detect, and investigate fraud, waste, and abuse within the medical assistance program.

[LEARN MORE ABOUT US](#) →

Home / Medicaid Inspector General

File an OMIG Complaint

This mission is achieved through auditing Medicaid providers and medical assistance program functions; recovering improperly expended funds; and referring appropriate cases for criminal prosecution. OMIG works closely with providers and the medical assistance program to prevent fraud, waste, and abuse.

[FILE A COMPLAINT](#)



Q&A



Contact Info

Elizabeth Thomas Smith, JD
Cabinet Secretary, Medicaid Inspector General
900 W. Capitol Ave, Suite 310
Little Rock, AR 72201
501-537-1591
elizabeth.smith@arkansas.gov

