

Goal: Getting Payments Right

Program or Activity
Medicaid

Reporting Period
Q4 2019

Change from Previous FY (\$M)

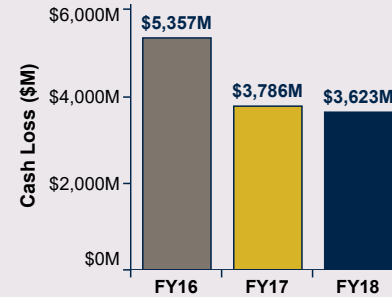
-\$164M



Brief Program Description:

Medicaid is a joint federal/state program, administered by HHS in partnership with the states, which provides health insurance to qualifying low-income individuals and long-term care services to seniors and individuals of all ages with disabilities.

Cash Loss by FY (\$M)



Key Milestones	Status	ECD
1 Finalize estimated cash loss estimation methodology	Completed	Nov-18
2 Identify estimated cash loss amount for FY 2018	Completed	Nov-18
3 Identify true root causes of cash loss	Completed	Nov-18
4 Develop mitigation strategies to get the payment right the first time	Completed	Nov-18
5 Evaluate the ROI of the mitigation strategy	On-Track	Nov-19
6 Determine which strategies have the best ROI to prevent cash loss	On-Track	Nov-19

Quarterly Progress Goals	Status	Notes	ECD
1 Q4 2019 Develop and implement a Payment Error Rate Measurement (PERM) corrective action plan process to monitor and assist state's in implementing effective corrective action plans for findings identified through PERM reviews.	Completed	N/A	Jul-19
2 Q4 2019 Pilot a process to screen Medicaid-only providers on behalf of states in FY19. For the pilot, screen two states' Medicaid-only providers and produce a report of the providers found with licensure issues, criminal activity, and Do Not Pay activity.	On-Track	N/A	Dec-19

Recent Accomplishments	Date
1 As of April 2019, all states have access to Death Master File data through CMS' Data Exchange system.	Apr-19
2 The state assessment contractor visited 28 states since FY17. The contractor assessed compliance with provider screening and enrollment requirements, conducted a gap analysis, and developed strategic blueprints to help improve the state's processes.	Apr-19
3 Conducted a Medicaid Integrity Institute course titled "Medicaid Provider Enrollment Seminar" in May 2019, which focused exclusively on complying with provider screening & enrollment requirements to reduce state & local agency process errors.	May-19

FY18 Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
\$3,430M	Administrative or process errors made by: state or local agency	Administrative or Process Errors Made by: State or Local Agency resulted in overpayments of \$2,955.86 million. Provider not enrolled.	Reduce administrative or process errors made by state or local agency through state Medicaid provider enrollment tools, technical assistance and site visits for provider screening & enrollment, and training through the Medicaid Integrity Institute.	HHS takes a holistic approach to develop corrective actions from various perspectives. Impact on the improper payment rate may not be realized for several years, and implementing new/revised policies may also result in a slight increase in rates.
		Administrative or Process Errors Made by: State or Local Agency resulted in overpayments of \$474.52 million. State did not process claim correctly.	Reduce administrative or process errors made by other party through state Medicaid Recovery Audit Contractor programs, improved policy, state technical assistance workgroups, and provider, beneficiary, and other stakeholder education.	HHS takes a holistic approach to develop corrective actions from various perspectives. Impact on the improper payment rate may not be realized for several years, and implementing new/revised policies may also result in a slight increase in rates.
\$162M	Administrative or process errors made by: others (participating lender, health care provider, or other organization administering Federal dollars)	Administrative or Process Errors Made by: Other Party (i.e., participating lender, health care provider, or any other organization administering Federal dollars) resulted in overpayments of \$162.45 million. These are provider billing errors.	Work with all states to develop state-specific corrective action plans to reduce improper payments. States are responsible for implementing, monitoring, and evaluating the corrective action plan effectiveness, with assistance and oversight from HHS.	HHS takes a holistic approach to develop corrective actions from various perspectives. Impact on the improper payment rate may not be realized for several years, and implementing new/revised policies may also result in a slight increase in rates.

Cash Loss - Cash loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.