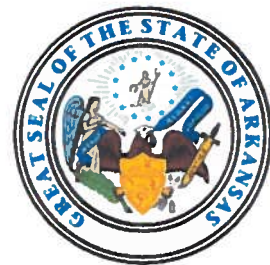




## Office of the Medicaid Inspector General

323 Center Street Little Rock, AR 72201  
501-682-8349 Fax: 501-682-8350



### **VIA HAND DELIVERY**

June 30, 2015

The Honorable David Branscum  
Division of Legislative Council  
Arkansas Senate  
Room 320  
Little Rock, AR 72201

Dear Senator Branscum:

Enclosed please find a copy of the Office of Medicaid Inspector General's July 2015 Quarterly Report. This report provides a statistical profile of the agency's activities for the current fiscal year.

If you have any questions please feel free to contact us.

Sincerely,

  
Elizabeth Smith, Medicaid Inspector General  
501-537-1590

enc.



# **Office of Medicaid Inspector General**

## **Quarterly Report July 2015**

**Elizabeth Smith, Medicaid Inspector General**

## Quarterly Report Statistics and Information

This quarterly report, submitted July 1, 2015, contains statistics, data, and information from the Office of the Medicaid Inspector General from Fiscal Year 2015 (July 1, 2014 to June 26, 2015). For the purposes of this report, the information is divided in the following manner: July 1, 2014 through September 26, 2014, September 27, 2014 through December 29, 2014, December 30, 2014 through March 27, 2015, and March 28, 2015 through June 26, 2015.

### Recoveries/Recoupments

July 1, 2014 to September 26, 2014 recoupments sent to DHS Accounts Receivable for collection

\$ 522,010.11

September 27, 2014 to December 29, 2014 recoupments sent to DHS Accounts Receivable for collection

\$ 331,719.22\*

December 30, 2014 to March 27, 2015 recoupments sent to DHS Accounts Receivable for collection

\$1,098,821.83

March 28, 2015 to June 26, 2015 recoupments sent to DHS Accounts Receivable for collection

\$ 598,578.07

**Total Fiscal Year 2015 submissions to DHS Accounts Receivable for collection**

**\$2,551,129.23**

Fiscal Year 2015 Private Option premiums and Medicaid claims identified by OMIG as inappropriate payments and submitted to Hewlett Packard (HP) for reversal

\$ 510,761.52

**Total Fiscal Year 2015 Claims and Initiatives**

**\$3,061,890.75**

### Audits and Investigations

July 1, 2014 to September 26, 2014 Audits/Reviews

Onsite Audits/Reviews 33

Desk Audits 5

Desk Reviews – Date of Death 31

Desk Reviews – DAAS/DDS Duplicate Payments 22

Desk Reviews – EOMB 1

HCBS Waiver Referral Investigations 4

False Claims Act Compliance Reviews 87

**183**

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\* The total recoupments sent to DHS Accounts Receivable for collection were adjusted down from the January 2015 Quarterly Report to provide for claims revision performed as a larger reconciliation for transportation providers. Without OMIG's revision, the providers would have refunded Arkansas Medicaid twice for the same claim.

September 27, 2014 to December 29, 2014 Audits/Reviews	
Onsite Audits/Reviews	21
Desk Audits	25
Desk Reviews – Date of Death	17
Desk Reviews – DAAS/DDS Duplicate Payments	38
Desk Reviews – EOMB	4
Desk Reviews – Miscellaneous <sup>†</sup>	4
False Claims Act Compliance Reviews	0
	<b><u>109</u></b>
December 30, 2014 to March 27, 2015 Audits/Reviews	
Onsite Audits/Reviews	21
Desk Audits	69
Desk Reviews – Date of Death	3
Desk Reviews – DAAS/DDS Duplicate Payments	6
Desk Reviews – EOMB	14
Desk Reviews – Miscellaneous	35
False Claims Act Compliance Reviews	52 <sup>‡</sup>
	<b><u>200</u></b>
March 28, 2015 to June 26, 2015 Audits/Reviews	
Onsite Audits/Reviews	17
Desk Audits	76
Desk Reviews – Date of Death	3
Desk Reviews – DAAS/DDS Duplicate Payments	0
Desk Reviews – EOMB	7
Desk Reviews – Miscellaneous	7
False Claims Act Compliance Reviews	0
Pharmacy Audits (Optum)	23
Medicaid Integrity Contractor Audits	7
	<b><u>140</u></b>

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<sup>†</sup> Pursuant to 42 CFR §455.14, OMIG is required to conduct preliminary investigations of Medicaid fraud and abuse complaints. These preliminary investigations are captured in the Desk Reviews – Miscellaneous figures.

<sup>‡</sup> False Claims Act Compliance Reviews are now completed annually after the close of the federal fiscal year per the requirements of the Arkansas Medicaid State Plan.

**Fiscal Year 2015 Total Audits/Reviews (July 1, 2014 to June 26, 2015)**

<b>Onsite Audits/Reviews</b>	<b>92</b>
<b>Desk Audits</b>	<b>175</b>
<b>Desk Reviews – Date of Death</b>	<b>54</b>
<b>Desk Reviews – DAAS/DDS Duplicate Payments</b>	<b>66</b>
<b>Desk Reviews – EOMB</b>	<b>26</b>
<b>Desk Reviews – Miscellaneous</b>	<b>46<sup>§</sup></b>
<b>HCBS Waiver Referral Investigations</b>	<b>4<sup>**</sup></b>
<b>False Claims Act Compliance Reviews</b>	<b>139</b>
<b>Pharmacy Audits (Optum)</b>	<b>23</b>
<b>Medicaid Integrity Contractor Audits</b>	<b>7</b>
	<b><u>632</u></b>

**Referrals of Fraud and Prosecutions**

**A. Arkansas Attorney General’s Medicaid Fraud Control Unit**

Pursuant to Ark. Code Ann. §20-77-2506 the Medicaid Inspector General shall work with the Medicaid Fraud Control Unit (MFCU), of the Office of the Arkansas Attorney General, prosecuting attorneys and law enforcement agencies. The Medicaid Inspector General refers audit investigations to MFCU when there is a credible allegation of fraud. *See 42 CFR §455.23.*

In Fiscal Year 2015, **forty-seven (47)** Medicaid provider investigations have been referred to the Medicaid Fraud Control Unit of the Attorney General’s Office.

**B. Other Suspected Fraud Referrals**

In addition to referrals of suspected fraud to the Arkansas Attorney General’s Office, the OMIG shall also make referrals and coordinate efforts with other federal, state and local law enforcement agencies. *See Ark. Code Ann. §20-77-2506(2).* In Fiscal Year 2015, the OMIG has made one referral to the Fort Smith Police Department and one referral to the Federal Bureau of Investigation (FBI).

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<sup>§</sup> Of the 46 Desk Reviews – Miscellaneous, 7 resulted in the initiation of a full audit/investigation.

<sup>\*\*</sup> As of January 1, 2015, HCBS Waiver Referral Investigations were merged into Desk Reviews – Miscellaneous.