Nebraska RAC Annual Report

Pursuant to Statute 68-974

Reporting Period 7/1/17 to 11/29/17

The Recovery Audit contract with HMS (Health Management Systems, Inc.) ended on 11/29/17. Nebraska Medicaid received a waiver from CMS regarding contracting with a Recovery Audit Contractor. This waiver was requested because a majority of Nebraska Medicaid Claims are now processed through the Managed Care Entities (MCEs). Nebraska State Statute 68-974 states the Department shall exclude the following from the scope of review of recovery audit contractors: (a) claims processed or paid through a capitated Medicaid manage care program.

Reporting Requirements:

(a) The number and type of issues reviewed;

During the reporting period, the following two (2) issues were reviewed:

- Pharmacy claims Eligibility Recovery: Data Analysis to identify Medicaid recipients who have other pharmacy insurance and issue Medicaid reclamation claims to insurance carriers to ensure Nebraska Medicaid remains payer of last resort.

- Medical Claims Eligibility Recovery: Data analysis to identify Medicaid recipients who have other medical insurance and issue Medicaid reclamation claims to insurance carriers to ensure Nebraska Medicaid remains payer of last resort.

(b) The number of medical records requested;

During the reporting period, there were no medical records requested.
(c) The number of overpayment and the aggregate dollar amounts associated with the overpayments identified by the contractor;

The dollar amount of overpayment for both claims eligibility recovery scenarios reviewed during the reporting period is $566,793.27.

(d) The number of underpayment and aggregate dollar amounts associated with the identified underpayments:

There were no underpayments identified during this reporting period.

(e) The duration of audits from initiation of time to time of completion;


(f) The number of adverse determinations and the overturn rating of those determinations in the appeal process;

There were zero (0) claims with adverse determinations.

(g) The number of appeals files by providers and the disposition status of such appeals;

There were zero (0) appeals for this duration.

(h) The contractor’s compensation structure and dollar amount of compensation;

The RAC contract is compensated at 10.5% of recoveries received by Nebraska DHHS. The contractor was compensated in the amount of $59,513.30 during this reporting period.

(i) A copy of the department’s contract with the recovery audit contractor;