

Cathy Cooper
Authorized Signature

Number: SPD-AR-07-013
Issue Date: 3/15/2007

Topic: Long Term Care

Due Date:

Subject: Medicaid Service Provider Overpayment Procedures

Applies to (check all that apply):

- | | | | |
|-------------------------------------|-------------------------------|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> | All DHS employees | <input type="checkbox"/> | County Mental Health Directors |
| <input checked="" type="checkbox"/> | Area Agencies on Aging | <input type="checkbox"/> | Health Services |
| <input type="checkbox"/> | Children, Adults and Families | <input checked="" type="checkbox"/> | Seniors and People with Disabilities |
| <input type="checkbox"/> | County DD Program Managers | <input type="checkbox"/> | Other (please specify): |

Action Required

Discussion/Interpretation:

In response to a [Secretary of State Audit](#), a workgroup was established to develop Medicaid service provider overpayment procedures. As a result, overpayment procedures for identifying and processing provider overpayments with or without fraud now exist.

This transmittal will discuss:

- [SPD Medicaid Provider Overpayment Procedures](#) and
- Revised [SDS 727](#) Medicaid Fraud Referral Form

SPD Medicaid Provider Overpayment Procedures:

In order to ensure SPD provider overpayments are identified for recovery and to be in compliance with the requirements of the Secretary of State Audit, it is very important for SPD/AAA local office and SPD Central Office staff to identify and process **all** provider overpayments for overpayment recovery. This includes, but is not limited to Homecare Workers (HCW), Adult Foster Homes (AFH), Relative Adult Foster Homes (RAFH), Residential Care Facilities (RCF), Assisted Living Facilities (ALF) and Specialized Living Contracts (SL).

Revised SDS 727 Medicaid Fraud Referral Form:

As part of updating the provider overpayment procedures, the [SDS 727](#) Medicaid Fraud Referral Form was revised to conform to an agreement between SPD and the Department of Justice-Medicaid Fraud Unit (DOJ-MFU). In addition to Adult Protective

Service (APS) information, the revision now incorporates items such as provider overpayment issues and [provider exclusion](#) requests. A provider exclusion is a national database of providers that are excluded from participation in Medicare, Medicaid and all Federal health care programs. Prior to this revision, Homecare Workers (HCW) were not included on this form. This form is now inclusive of all Nursing Facilities, Community Based Care (CBC) living situations and CEP/HCW providers.

SPD will now have one process and form for referring all fraud cases to the Medicaid Fraud Unit for potential prosecution of fraud. The SPD/AAA local office staff need to refer all Medicaid provider overpayments to the Medicaid Fraud Unit (MFU) using the [SDS 727](#) Medicaid Fraud Referral Form.

MFU General Information Sheet: The SDS 727 Medicaid Fraud Referral Form has a link to the MFU General Information Sheet. This information sheet contains information about:

1. Who is the Medicaid Fraud Unit (MFU)
2. Who can refer cases to the MFU
3. How to refer a case to the MFU
4. What type of cases the MFU handles and examples

For detailed instructions for processing SPD Medicaid Provider Overpayments, see the 'Other Links and Tools' section of the [Case Management Website](#) at: <http://www.dhs.state.or.us/spd/tools/cm/index.htm>

Detailed instructions for completing and submitting the [SDS 727](#) Medicaid Fraud Referral Form are directly on the form. The form is available at the [SPD Staff Tools Forms Server](#) at: http://dhsforms.hr.state.or.us/forms/databases/FMPRO?-db=FormTbl.fp5&-lay=Main&-format=Findforms_FMP.htm&-findany

Training/Communication Plan:

A Netlink Training was provided on March 6th and another will be offered on March 27th, 2007 that cover Provider Overpayment Procedures and the Provider Payment Request System Forms.

Local/Branch Action Required: SPD/AAA local offices will need to:

- Identify and process all HCW, CEP and CBC provider overpayments for overpayment recovery.
- Identify and refer all Medicaid provider overpayments to the Medicaid Fraud Unit (MFU) using the [SDS 727](#) Medicaid Fraud Referral Form.

Central Office Action Required: Provide Technical Support as needed.

Field/Stakeholder review: Yes No

If yes, reviewed by: Operations Committee and the SPD Policy Workgroup

If you have any questions about this action request, contact:

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