

April 25, 2018

#### Medicaid MCO Update – HFS Consulting and Audit Contract

This memo provides an update on the Department of Healthcare and Family Services' (HFS) audit of open Medicaid Managed Care Organizations (MCOs) payables with the independent consulting and audit firm, Myers & Stauffer. Given numerous concerns raised by providers, HFS is undertaking the audit to examine outstanding balances MCOs may owe providers. The audit also includes collecting data on settlements that providers have made with the MCOs.

Myers & Stauffer has collected Medicaid MCO payable data for all MCOs and is now requesting providers submit their outstanding Medicaid MCO balances. Providers will have two weeks from the date the letter is sent to provide data. If you are not able to meet the deadline, please notify the firm that you will need additional time to comply with the request.

We appreciate HFS' efforts to examine these issues and urge all hospitals included in the audit to share their outstanding balance data. HFS has not shared the names of the hospitals included in this audit; therefore please share your request letter with IHA so we can track the hospitals that have been included in the audit.

Some key reminders regarding the audit process:

- Request for data will cover dates of service from July 2014 through December 2017; data submitted should reflect any balances on the books effective March 31, 2018;
- The audit process will not apply to the 2018 HealthChoice Illinois contracts;
- Hospitals will be asked to provide receivables data by specific MCO and coverage type (e.g., Affordable Care Act – ACA; Integrated Care Program – ICP; Family Health Plan – FHP; and Managed Long Term Support Services – MLTSS);
- Receivables data for the Medicare/Medicaid Alignment Initiative (MMAI) are not included in the sampling, as the dual eligibles program is not part of the 2018 Medicaid managed care expansion;
- Information on any settlements obtained by your organization will also be requested;
- Claims level detail is also being requested to substantiate the outstanding receivables balance; and
- Those providers selected for the audit will receive additional details from Myers & Stauffer.

#### HFS Complaint Portal

All members are reminded to continue to document claims that remain unresolved and to use the HFS Provider Complaint Portal. Complaints housed in the portal serve as an additional source of information as Myers & Stauffer validates open MCO receivables. IHA has advocated previously that information supplied through the portal should also be accounted for in reconciliation efforts. [Click here](#) for access to the HFS Provider Complaint Portal.

We encourage all selected hospitals to participate in the Myers & Stauffer audit, and we will keep you informed on HFS' next steps with the audit.

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