

**441—185.13(234) Provider audits.**

**185.13(1) Provider monitoring.** The department shall have the authority to conduct a scheduled or an unannounced site visit to evaluate the adequacy of documentation in compliance with the policies and procedures for rehabilitative treatment and supportive services. The provider shall maintain the following documentation for each program.

- a. List of all staff and supervisors providing services and their qualifications.
- b. Number of staff hired and terminated in the year to date.
- c. to g. Rescinded IAB 1/4/95, effective 2/1/95.

**185.13(2) Audit of clinical and fiscal records by the department.**

a. Authorized representatives of the department shall have the right, upon proper identification, and using generally accepted auditing procedures, to review the clinical and fiscal records of the provider to determine whether:

- (1) The department has accurately paid claims for goods or services.
- (2) The provider has furnished the services.
- (3) The provider has retained clinical and fiscal records which substantiate claims submitted for payment during the audit period as described at 441—Chapters 156 and 182, subrules 185.10(6) and 185.102(3), and rule 441—79.3(249A).

b. Records generated and maintained by the department or its fiscal agent may be used by auditors and in all proceedings of the department.

c. Any service provider may be audited at any time at the discretion of the department.

d. The department shall select the appropriate method of conducting an audit and shall protect the confidential nature of the records being reviewed. The provider may be required to furnish records to the department. The provider may select the method of delivering any requested records to the department. Audit procedures may include, but are not limited to, the following:

- (1) Comparing clinical and fiscal records with each claim.
- (2) Interviewing recipients of services and employees of providers.

e. The department's procedures for auditing rehabilitative treatment services providers may include the use of random sampling and extrapolation. When these procedures are used, all sampling will be performed within acceptable statistical methods, yielding not less than a 95 percent confidence level. Findings of the sample will be extrapolated to the universe for the audit period.

(1) The audit findings generated through the audit procedure shall constitute prima facie evidence in all department proceedings of the number and amount of requests for payment as submitted by the provider.

(2) When the department's audit findings have been generated through the use of sampling and extrapolation, and the provider disagrees with the findings, the burden of proof of compliance rests with the provider. The provider may present evidence to show that the sample was invalid. The evidence may include a 100 percent audit of the universe of provider records used by the department in the drawing of the department's sample. This audit shall:

1. Be arranged and paid for by the provider.
2. Be conducted by a certified public accountant.
3. Demonstrate that bills and records not reviewed in the department's sample were in compliance with program regulations.

4. Be submitted to the department with all supporting documentation.

(3) The total of the payments determined to be in error in the audit sample shall be divided by the total payments in the reviewed audit sample to calculate the percentage of dollars paid in error. This sample error payment rate shall then be multiplied by the total dollars in the audit universe from which the audit sample was selected to determine the extrapolated overpayment.

f. Actions based on audit findings.

(1) The department shall report the results of an audit of provider records to concerned parties consistent with the provisions of 441—Chapter 9.

- (2) When an overpayment is found, the department may proceed with one or more of the following:
1. Request repayment in writing.

2. Impose sanctions provided for in rule 441—185.12(234).
3. Investigate and refer to an agency empowered to prosecute.
  - g. Appeal by provider. Providers may appeal decisions of the department according to rules in 441—Chapter 7.