

Enhanced Medicaid Claiming

Background

In the second session of the 78th General Assembly legislation was passed and signed by the Governor mandating the State to enter into a contract to enhance claiming of medical assistance program reimbursement payable for services provided by the state University of Iowa hospitals and clinics. The Department of Management recommended this project to enhance revenues to the state general fund for SFY00 and SFY01. The original legislation in HF 2039 was subsequently amended in the Education Appropriations Act HF 2549. Attachment A contains the original language in HF 2039 and the amended language in HF 2549 for comparison purposes.

Progress to Date

In June, the Department of Management (DOM) requested that the Department of Human Services (DHS) be responsible for the issuance of a Request for Proposals for this project. DOM has provided guidance and technical assistance to DHS. DHS and the University of Iowa Hospitals and Clinics (UHIC) have worked collaboratively on the structure of the RFP.

- Timetable for issuance of a contract:

Notice of Intent to Issue RFP	11/14/00
Issue RFP	11/22/00
Proposals due	1/09/01
Announce Apparent Successful Bidder	1/19/01
Complete contract negotiations and execute contract	2/12/01
Contract Term	2/13/01 to 6/30/01

- The Contract term is from 2/13/01 through 6/30/01. By August 31, 2001, all recoveries of additional Medicaid enhanced claiming will be completed under the terms of the proposed RFP and contract.
- The role of the successful bidder is:
 - to review and match UIHC patient billing records against records in the DHS's TXIX eligibility system for potential claims dated July 1, 1992 through June 30, 1999
 - provide a report to DHS regarding claims that may potentially be paid by Medicaid
 - complete and sent to UHIC the necessary forms for claiming reimbursement for patient services not previously billed to Medicaid
- Payment Terms and Compensation of the Contract
 - The successful bidder will be paid on a contingent fee that the bidder sets forth in their proposal.
 - The payment shall be the contingent percentage of the federal share of the dollar value of claims paid minus all expenses incurred by DHS, UIHC, the peer review organization and DHS fiscal agent.
 - Payment will be in one lump sum at the conclusion of the project.

Attachment A

2000 Iowa Acts, House File 2039, Sec. 24. MEDICAL ASSISTANCE CLAIMING BY STATE BOARD OF REGENTS. The State shall enter into a contract to enhance claiming of medical assistance program reimbursement payable for services provided by the state university Iowa hospitals and clinics. After payment of contract costs, the first \$4,000,000 received in additional reimbursement from the enhanced claiming during the period beginning with the effective date of this Act, and ending June 30, 2001, shall be credited to the general fund of the state. The balance of the additional reimbursement received during the period is appropriated to the state board of regents for the state university Iowa hospitals and clinics for other expenses associated with the enhanced claiming and for the provision of services. The state board of regents shall report quarterly during the period delineated in this section to the department of management and the legislative fiscal bureau concerning the enhanced claiming and reimbursement that is received and anticipated.

Sec. 13. 2000 Iowa Acts, House File 2039, section 24, is amended to read as follows: SEC. 24. MEDICAL ASSISTANCE CLAIMING BY STATE BOARD OF REGENTS. The state shall enter into a contract to enhance claiming of medical assistance program reimbursement payable for services provided by the state university Iowa hospitals and clinics. After payment of contract costs, the first ~~\$4,000,000~~ \$12,000,000 received in additional reimbursement from the enhanced claiming during the period beginning with the effective date of this Act, and ending June 30, 2001, shall be credited to the general fund of the state. The balance of the additional reimbursement received during the period is appropriated to the state board of regents for the state university Iowa hospitals and clinics for other expenses associated with the enhanced claiming and for the provision of services. The state board of regents shall report quarterly during the period delineated in this section to the department of management and the legislative fiscal bureau concerning the enhanced claiming and reimbursement that is received and anticipated.

For purposes of this section, "enhanced claiming" does not include any process already being utilized by the state university Iowa hospitals and clinics to identify and seek reimbursement from appropriate payors. Individual patient accounts shall not be eligible for participation in enhanced claiming activities until the state University Iowa Hospitals and clinics certifies that its internal processes to identify and seek reimbursement from appropriate payors have been completed. Should additional reimbursement from the enhanced claiming fail to equal the targeted amount to be credited to the general fund, the state university Iowa hospitals and clinics shall not be held responsible for making up the shortfall.