

APA-1

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control No: 560 Department or Agency: Alabama Medicaid Agency

Rule No: 560-X-4-.06

Rule Title: Medicaid Eligibility Quality Control

_____ New; X Amend; _____ Repeal; _____ Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? _____ no

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? _____ yes

Is there another, less restrictive method of regulation available that could adequately protect the public? _____ no

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? _____ no

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? _____ no

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? _____ yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? _____ no

Does the proposed rule have an economic impact? _____ no

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer: Stephanie Lindsay

Date: 7-17-2018

ALABAMA MEDICAID AGENCY

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Medicaid Agency

RULE NO. & TITLE: 560-X-4-.06 Medicaid Eligibility Quality Control


INTENDED ACTION: Amend 560-X-4-.06

SUBSTANCE OF PROPOSED ACTION: The above referenced rule is being amended to remove references to an obsolete program and to add references to new federal regulations pertaining to the Medicaid Eligibility Quality Control Program.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than September 4, 2018.

CONTACT PERSON AT AGENCY: Stephanie Lindsay, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Phone: (334) 242-5833.


Stephanie McGee Azar
Commissioner

Rule No. 560-X-4-.06. Medicaid Eligibility Quality Control.

The Alabama Medicaid Agency Quality Control Unit is responsible for monitoring Medicaid eligibility correctness. Through its findings administrators may identify and eliminate or reduce dollar losses by effective corrective action in program operations.

(1) Quality Control shall select a monthly random sample of Medicaid recipients from the computer maintained eligibility file.

(2) The random sample shall be reviewed for eligibility determination errors, policy application, and administrative correctness.

(3) Claims shall be collected on the sample to determine payment and error rate due to eligibility determination errors.

(4) Information gathered from these reviews shall provide the basis for corrective action to reduce erroneous Medicaid payments.

(5) The Department of Human Resources (DHR) has eligibility quality control responsibility for the ~~Aid to Dependent Children (AFDC) Program~~ and state supplementation segment of Medicaid eligibles.

(6) The total Medicaid payment error rate is the amount of erroneous claims paid due to client ineligibility in the medical assistance only (MAO), ~~AFDC-related~~, and state supplementation cases.

(7) The Agency shall participate in and conduct Payment Error Rate Measurement (PERM) eligibility reviews once every three years to produce a national error rate.

(8) A sampling plan will be developed; sampling universe identified with claims payment amounts for the sampled cases.

(9) Information gathered from these PERM reviews shall provide the basis for corrective action to reduce erroneous Medicaid payments.

Author: Jacqueline G. Thomas, Director, Program Integrity Division

Authority: State Plan; 42 C.F.R. Sec. 401, et seq.

History: Rule effective October 1, 1982. Amended May 9, 1984. This amendment effective September 12, 1995. **Amended:** Filed July 17, 2018.