

Report in Brief

Date: June 2019

Report No. A-03-17-00203

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL



Why OIG Did This Review

A previous OIG report found that, in 2009 and 2010, Delaware did not comply with Federal requirements to report all Medicaid overpayment collections. The report had five recommendations that were still unimplemented as of June 30, 2017.

Our objective was to determine whether Delaware implemented recommendations from our previous review and is in compliance with Federal requirements for reporting Medicaid overpayments.

How OIG Did This Review

Our audit covered the five recommendations from the previous OIG report that were still unimplemented as of June 30, 2017. To determine whether these recommendations had been implemented, we reviewed correspondence from the Centers for Medicare & Medicaid Services (CMS) and reviewed the State's new Medicaid Management Information System (MMIS). In reviewing the State's MMIS, we covered all 10,130 open Medicaid account receivables on file with Delaware as of March 8, 2018. We selected a judgmental sample of 38 claims and traced the overpayment amount through the MMIS to confirm that Delaware was accurately reporting the overpayment and refunding the Federal share to the Federal Government.

Recommendation Followup: Delaware Is Reporting Medicaid Overpayments In Compliance With Federal Requirements

What OIG Found

Delaware implemented all of the recommendations from our previous review and is in compliance with Federal requirements to report all Medicaid overpayments.

Two of the five unimplemented recommendations requested that Delaware refund \$10 million and \$2,391 respectively to the Federal Government. Correspondence from CMS found that Delaware had refunded that amount and reported the refund on the Form CMS-64.

Two of the remaining three unimplemented recommendations requested that the State agency apply the correct Federal Medical Assistance Percentage (FMAP) rate and develop internal controls to enable Delaware to correctly report and refund the Federal share of Medicaid overpayments. Our review found that Delaware implemented a new MMIS in 2017; this new MMIS has controls to ensure that it applies the correct FMAP. Using this new MMIS, Delaware is correctly reporting and refunding the Federal share of Medicaid overpayments.

The fifth recommendation requested that Delaware identify and report any unreported Medicaid overpayments collected before 2009 and after 2010. We were able to confirm that unreported Medicaid overpayments after 2010 were reported, but Delaware does not have detailed records of the open account receivables from before 2009. Because Delaware reported Medicaid overpayments after 2010, and because the State does not have detailed records for the period before 2009, we consider this recommendation to be implemented.

What OIG Recommends

This report contains no recommendations.