

Report in Brief

Date: October 2017

Report No. A-06-16-08012

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



Why OIG Did This Review

Medicaid pays providers for deductibles and coinsurance on behalf of some individuals who are entitled to both Medicare and Medicaid benefits. Medicare claims sent to State Medicaid programs for payment of deductible and coinsurance amounts are referred to as crossover claims. Work performed by the Arkansas Office of the Medicaid Inspector General revealed that Arkansas did not recover payments resulting from Medicare crossover claims that were adjusted after the original claims were processed and paid. We reviewed crossover claims processing in Oklahoma because it uses the same Medicaid Management Information System (MMIS) fiscal agent as Arkansas.

Our objective was to determine whether Oklahoma correctly processed adjustments to Medicare crossover claims.

How OIG Did This Review

We obtained 5,845 Medicare Part B crossover claim adjustments for claims with services initially provided during January 2016. We worked with Oklahoma to identify and review crossover claim adjustments for which the original Medicare crossover claims were voided by Medicare. Oklahoma initially paid \$11,586 (Federal share \$7,066) in deductibles and coinsurance for the original 367 crossover claims.

Oklahoma Did Not Correctly Process Adjustments to Medicare Crossover Claims

What OIG Found

Although Oklahoma received crossover claim adjustments, it did not have any policies and procedures for processing adjustments to Medicare crossover claims. As a result, Oklahoma did not recoup amounts due from providers or pay amounts owed to providers when an adjustment to a crossover claim changed the original deductible or coinsurance payment amounts.

What OIG Recommends and Oklahoma's Comments

We recommend that Oklahoma develop and implement policies and procedures to ensure adjustments to Medicare crossover claims are correctly processed.

In written comments on our draft report, Oklahoma indicated that it "mildly" concurred with the finding. It agreed that it did not process adjustments from Medicare and stated that its MMIS system denied them for lack of adequate information. Oklahoma included information about the difficulties in processing adjustments, indicating that the issue could be attributed to multiple parties. It also identified system changes it made to its MMIS and stated that its new process should resolve the issues identified in our audit.