

Report in Brief

Date: April 2018

Report No. A-07-16-03215

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



Why OIG Did This Review

Targeted Case Management (TCM) services assist specific State-designated Medicaid groups in gaining access to medical, social, educational, and other types of services. Previous OIG reviews found that some States did not always claim Federal Medicaid reimbursement for TCM services in accordance with Federal and State requirements.

Our objective was to determine whether Colorado claimed Federal Medicaid reimbursement for TCM services during Federal fiscal years (FYs) 2014 and 2015 in accordance with Federal and State requirements.

How OIG Did This Review

We reviewed documentation for 150 randomly selected TCM paid claims from the developmental disability and early intervention target group (Colorado's largest target group for TCM services) to determine whether the services provided were allowable, case managers providing services were qualified to do so, and recipients receiving services were eligible. We also reviewed payment rates to determine whether they matched the established fee scheduled for the period.

Our review compared TCM claims documentation provided by Colorado to applicable Federal regulations and the State plan amendment governing Colorado's TCM program.

Colorado Claimed Some Unallowable Medicaid Payments for Targeted Case Management Services

What OIG Found

Colorado claimed Federal Medicaid reimbursement of at least \$4.2 million (almost \$2.2 million Federal share) for unallowable TCM payments during FYs 2014 and 2015. Colorado paid TCM providers and claimed unallowable Federal Medicaid reimbursement because its policies and procedures did not ensure that those providers complied with Federal and State requirements for documenting case managers' qualifications, documenting and claiming TCM services, and for maintaining documentation related to determinations of recipients' eligibility for TCM services.

Of the 150 randomly sampled TCM claims we reviewed, 49 claims had at least 1 error related to provider qualifications (43 claims), unsupported services (10 claims), unallowable services (5 claims), or unsupported recipient eligibility determinations (3 claims). (Some claims had more than one error.)

What OIG Recommends

We recommend that Colorado refund approximately \$2.2 million to the Federal Government for unallowable TCM claims during FYs 2014 and 2015. We further recommend that Colorado strengthen its policies and procedures to ensure that: TCM providers maintain documentation to document that case managers are qualified to perform TCM services, TCM providers maintain documentation to support the TCM services provided, it does not pay TCM providers or claim Federal reimbursement for services that are not TCM services, and TCM providers maintain documentation for eligibility determinations for recipients of TCM services.

Colorado agreed that TCM providers did not keep appropriate documentation. Colorado also provided additional comments concerning each recommendation, to include descriptions of corrective actions that it had taken or planned to take, as well as additional documentation for some of the sampled TCM claims identified as errors in our draft report. Colorado did not concur with our recommendations that providers maintain documentation of case managers' qualifications and of eligibility determinations.

After reviewing Colorado's comments and the additional documentation that Colorado provided, we revised, for this final report, the number of errors we identified. Accordingly, we revised our statistical estimate and the dollar amount conveyed in our first recommendation. We maintain that our findings and recommendations, as revised, are valid.