



<Mail Date>

<Provider Name>

<Provider Address>

<Provider Address>

RE: Post-review – Notice of Adverse Determination / Notice of Recoupment of Overpayment

Dear <Provider Name>:

In compliance with federal law (42 U.S.C. §1396a(a)(42)(B)) and pursuant to Texas Government Code Section 544.0504, the Texas Health and Human Services Commission (HHSC) has contracted Health Management Systems, Inc. (HMS) to conduct Medicaid recovery audit services on behalf of the State of Texas. HHSC has authorized HMS to review provider payments, associated medical records, and other supporting documentation to identify and recover any overpayments made to a provider.

HMS conducts two types of reviews:

- Automated Reviews—Claim data elements are analyzed using algorithms that are based on Medicaid policy and rules. These are claim-based and do not require submission of medical records.
- Complex Reviews—Claim data elements that cannot be automatically validated or that require medical documentation and an affidavit, and are reviewed by qualified Registered Nurses, certified coding specialists, and physicians

HMS has completed a post-payment **automated review** of the selected claims. **HMS has determined that the provider has received an estimated overpayment in the amount of \$**. Enclosed is a review detail report(s), which details the specific overpayment for each claim as well as the basis for the adverse determination.

This letter constitutes an adverse determination for purposes of Title 1 Texas Administrative Code §354.1451(f). You have the following options:

1. If you agree with the adverse determination, you need not take further action with HMS. Affected claims will be adjusted and overpayments will automatically be recouped. If you are still actively billing the Medicaid Program for fee-for-service claims, the recoupment will be reflected on your R & S statement(s). Please note that any portion of the overpayment amount that cannot be automatically recouped from your claims payments will be subject to collection action.
2. If you disagree with the adverse determination, **you may request a first-level appeal with the Recovery Audit Contractor (HMS).**
The first-level appeal must be submitted in writing. HMS must receive your request within 30 calendar days of the date of this letter and include: (a) a written explanation specifying the reason/request for appealing this determination, (b) any supporting documentation for the request, and (c) copies of the correspondence letters between you and HMS, including a copy of this letter.

HMS will review the appeal within 45 days and notify you of the outcome.

If HMS does not receive your request for a first-level appeal within 30 calendar days of the date of this letter, you may not file a second-level appeal with HHSC. NOTE: Secondlevel appeals may not be filed until you have received HMS's decision on the first-level appeal. Please send copies of the following for each of the clients and dates on the list enclosed with this letter:

- All of the medical record documentation necessary to support the services that were billed, regardless of the place of service (i.e., inpatient, outpatient, office or nursing facility)
- All orders, nursing notes, progress notes, and test results that were made a part of the client's records for the specified dates
- All other documents that were made a part of the client's records for the specified dates
- A properly completed and notarized Records Affidavit for the services that are listed on the enclosed claims review detail

If you request a first level appeal the documentation must be received within 30 calendar days of the date of this letter. You can submit the records on paper, CD/DVD, or by fax.

Please mail the requested documentation and a copy of this letter to:

HMS
5615 High Point Dr
Mail Stop #200-TX
Irving, TX 75038
Or
Fax to 855-278-3502 (maximum one record at a time)

As required by law, all Medicaid clients and providers have agreed to the release of this information as part of the application process. No further releases are required. As specified in the Texas Medicaid Provider Procedures Manual the records must be provided at no cost.

If the records are not received within 30 calendar days of the date of this letter, the review will be completed using the information available. In accordance with 1 Texas Administrative Code, §371.1601(13) and §371.1643, sanctions may be imposed against you if you fail to provide the information requested. Possible sanctions include vendor hold and /or exclusion from participation as a provider in the Texas Medicaid program until the matter is resolved. Additionally, payments for services for which records are not produced will be recouped. If the available information does not support your claims; the review will result in a payment recovery.

Your cooperation is appreciated. If you have any questions, please contact Provider Services at 877-401-3635.

Enclosures
Records Affidavit