



<Mail Date>

<Provider Name>

<Provider Address>

<Provider Address>

**RE: REBUTTAL - NOTICE OF HMS UPHOLD DECISION**

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 previously sent a Notice of Adverse Determination indicating a finding of overpayments during post-payment reviews of Texas Medicaid claims. HMS reviewed the Rebuttals submitted in response to the initial notification for each of the claims on the pages that follow. Based on Texas Medicaid policy and supporting state guidelines, **HMS must uphold these initial findings.** The medical record documentation that was submitted does not support the reimbursement of these claims.

These claims will be adjusted, and overpayments will automatically be recouped. If the provider is still actively billing the Medicaid Program for fee-for-service claims, any recoupment will be reflected on future R & S statements. Any portion of the overpayment amount that cannot be automatically recouped from these claim payments will be subject to collection action. If additional action is required, TMHP will send a letter with additional instructions.

For any questions about this notice, please call HMS Provider Services at (877) 401-3635.

If the provider disagrees with an HMS Uphold Decision, the provider may submit an Appeal Request to HHSC Medical and UR Appeals. In accordance with Title 1, Texas Administrative Code, §354.2217, the provider has the right to appeal within 120 calendar days from the date of this HMS Uphold Decision letter.

**A valid Appeal Request must be a written request to appeal the HMS Uphold Decision to HHSC Medical and UR Appeals. It is NOT a second appeal of HMS's Notice of Adverse Determination.**

To be considered valid, an Appeal Request must include all the items in the order listed below:

1. An Appeal Request letter containing the following elements:
  - a. Correct claim identifiers, including all the following: Provider/Facility Name; Texas Medicaid facility identifier (TPI or NPI, whichever appears on Notice of HMS Uphold Decision), Claim number (ICN), Patient/Client Name and aliases (if the medical record has different names), Client Texas Medicaid PCN number, and Dates of Service that match the claim.
  - b. A written request from the provider specifically for HHSC Medical and UR Appeals to conduct an appeal of the HMS Uphold Decision.

- c. Third party submitters must specify the named provider as the appellant and should review the requirements at: <https://www.hhs.texas.gov/sites/default/files/documents/pa-04-additional-submission-requirements-third-parties.pdf>.
  - d. A written explanation specifying, in detail, the rationale for appealing the HMS Uphold Decision. The Appeal Request letter should specifically address statements by HMS in the HMS Reconsideration Summary, found in the Review Detail of this letter for the claim. Note: merely copying the HMS Reconsideration Review Summary comments into the Appeal Request letter, without actual discussion, does not satisfy this requirement. Resubmission of the text from the provider's Rebuttal letter, without specifically addressing the statements in the HMS Reconsideration Review Summary, is not appropriate and may result in nonacceptance as a valid appeal submission.
  - e. Although the Appeal Request Letter is submitted through HMS, the salutation of the letter should be addressed to **HHSC Medical and UR Appeals**, not HMS.
- 2. A copy of this Notice of HMS Uphold Decision with client detail for only the claim being appealed, with client detail for all other claims removed. There are no exceptions to this requirement.
  - 3. Other supporting documentation, if any, for the Appeal Request:
    - a. Additional medical records may not be included, because the medical records previously submitted were certified as complete, and that no other records exist.
    - b. If submitted via the portal, this additional documentation must be included as part of a single Appeal Request PDF file.
  - 4. A RAC Appeal Information Form, which must be submitted with each Appeal Request for HMS Uphold Decision letters dated September 1, 2022 or later. As soon as the form is available, a copy will be posted on the Texas RAC website: <https://resources.hms.com/state/texas/rac>

**DEADLINE:** For an appeal to be conducted, all required documentation must be received **within 120 calendar days** from the date of this notice. Appeal Requests may not be submitted prior to the date of this letter.

If a complete Appeal Request is not received by this date, **HHSC Medical and UR Appeals will not conduct an appeal review and the case will be closed, with the HMS Uphold Decision considered final. Any documentation submitted after the deadline will not be considered.**

Appeal Requests may be submitted via the HMS Provider Portal or mail:

Provider Portal: <https://hmsportal.hms.com/> (Log in or Register)

Mail: **HHSC Medical and UR Appeals**  
C/O HMS  
Mail Stop #200-TX  
5615 High Point Dr.  
Irving, TX 75038

Only one of these two methods may be used for Appeal Request submission. For example, if an Appeal Request is uploaded via the HMS Provider Portal, additional material may not be sent by mail. HHSC does not accept appeals by any other methods of submission, including fax, SFTP, or email.

The Appeal Request packet must be in the order given above, and if submitted via the HMS Provider Portal, all the documents **MUST** be uploaded as ONE PDF file.

For further guidance on preparing Appeal Requests, please see:

<https://www.hhs.texas.gov/sites/default/files/documents/pa-03c-tips-submitting-rac-appeal.pdf>

The basis of the appeal should not rely solely on the provider's interpretation of MCG or InterQual guidelines. As stated in the TMPPM, HHSC Medical and UR Appeals considers these to be screening criteria for non-physician reviewers. Rather, providers should cite documentation contained in the medical record and explain how it supports medical necessity and complies with Texas Medicaid policy. A simple restating of the clinical facts of the case does not explain why the decision was incorrect.

Details in the medical record that clearly support the provider's statements should be cited. Providers should identify specific clinical documentation that clearly supports medical necessity for initial inpatient admission, ongoing hospital stay, procedures performed and level of care. The physician's documentation of patient condition and medical decision making is particularly important. The location of this documentation (page numbers) within medical records previously submitted should be indicated. If the provider is paid on a TEFRA basis, Appeal Request letters must explain how the medical record supports medical necessity for each day billed on the claim.

HHSC Medical and UR Appeals is responsible for conducting an independent review in response to a provider's appeal. The HHSC Medical and UR Appeals physician or designee use clinical judgement to perform a complete review for the medical necessity of inpatient admission, DRG validation, quality of care, continued stay medical necessity, and ancillary charges using only the previously submitted medical record and appeal documentation. **The review is not limited to the issues cited in this Notice of HMS Uphold Decision.**

After completion of the review, the physician or designee renders a final decision on the case, which may include determinations regarding multiple aspects of the admission. Please be aware that, in some circumstances, the **decision may result in full or partial refund of, or additional recoupment of, funds.**

Additional information about the appeals process may be found at:

<https://www.hhs.texas.gov/services/health/medicaid-chip/provider-information/provider-appeals-hhsc-medical-ur-appeals>

Also see: <https://www.hhs.texas.gov/sites/default/files/documents/pa-03c-tips-submitting-rac-appeal.pdf>

Enclosures: