

ALABAMA MEDICAID AGENCY
Program Integrity Division
Provider Review Unit
Self-Audit Program

Provider Options for Self Audits

Providers have several options for conducting the self-audit and expediting the return of inappropriate payments to Medicaid:

Option 1: 100 percent claim review

A provider may identify actual inappropriate payments by performing 100 percent review of claims. This option is recommended where a case-by-case review of claims is administratively feasible and cost-effective. When claims payments can be adjusted through the claims adjustment process, the provider should follow the claim adjustment process in the applicable provider manual. Alternatively, providers should send refund checks and documents as detailed on the ***Provider Self Audit Instructions*** document.

Acceptance of payment by the Medicaid Agency does not constitute agreement as to the total amount of loss suffered by the Agency.

Option 2: Provider-Developed Disclosure Work Plan for Medicaid Approval

When it is not administratively feasible or cost effective for the provider to conduct a 100 percent claim review, a provider may identify and project inappropriate payments pursuant to a detailed work plan submitted to the Agency for approval. A provider who wishes to use this option should submit their proposal in writing to Medicaid at the above address. The proposed work plan should also include an overview of the issues identified, the proposed time period of the review and the reason for the time period selected, and the actions that have been taken to assure that these errors will not reoccur in the future. The Alabama Medicaid Agency will review the submission and advise the provider accordingly. Once the proposed plan is approved by Medicaid, the audit should be conducted and inappropriate payment(s) projected. Providers should send refund checks and documents as detailed on the ***Provider Self Audit Instructions*** document.

Acceptance of payment by the Medicaid Agency does not constitute agreement as to the amount of loss suffered.

Option 3: Medicaid Pre-Approved Disclosure Work Plan with Statistically Valid Random Sample

A provider may identify and project inappropriate payment amounts by conducting a self-audit in accordance with the Medicaid Agency's pre-approved methodology as set forth in Attachment A. If the provider chooses this method, the provider does not need to obtain prior approval of the audit work plan. To the extent that the use of Attachment A is not feasible, a provider should notify Medicaid of the inappropriate payment, and subsequently work with the Agency to address issues specified in Option 1. Providers should send refund checks and documents as detailed on the ***Provider Self Audit Instructions*** document.

Acceptance of payment by the Medicaid Agency does not constitute agreement as to the amount of loss suffered.