

Rule No. 560-X-4.06. Medicaid Eligibility Quality Control.

The Alabama Medicaid Agency Quality Control Unit is responsible for monitoring Medicaid eligibility correctness. Through its findings administrators may identify and eliminate or reduce dollar losses by effective corrective action in program operations.

(1) Quality Control shall select a monthly random sample of Medicaid recipients from the computer maintained eligibility file.

(2) The random sample shall be reviewed for eligibility determination errors, policy application, and administrative correctness.

(3) Claims shall be collected on the sample to determine payment and error rate due to eligibility determination errors.

(4) Information gathered from these reviews shall provide the basis for corrective action to reduce erroneous Medicaid payments.

(5) The Department of Human Resources (DHR) has eligibility quality control responsibility for the ~~Aid to Dependent Children (AFDC) Program and~~ state supplementation segment of Medicaid eligibles.

(6) The total Medicaid payment error rate is the amount of erroneous claims paid due to client ineligibility in the medical assistance only (MAO); ~~AFDC related~~, and state supplementation cases.

(7) The Agency shall participate in and conduct Payment Error Rate Measurement (PERM) eligibility reviews once every three years to produce a national error rate.

(8) A sampling plan will be developed; sampling universe identified with claims payment amounts for the sampled cases.

(9) Information gathered from these PERM reviews shall provide the basis for corrective action to reduce erroneous Medicaid payments.

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Authority: State Plan; 42 C.F.R. Sec. 401, et seq.

History: Rule effective October 1, 1982. Amended May 9, 1984. This amendment effective September 12, 1995. **Amended:** Filed July 17, 2018.