

MDHHS AUDIT REPORT & APPEAL PROCESS

The following process shall be used to issue audit reports, and appeal audit findings and recommendations. Established time frames may be extended by mutual agreement of the parties involved.

STEP 1: AUDIT / PRELIMINARY ANALYSIS / RESPONSE

MDHHS Bureau of Audit, Reimbursement, and Quality Assurance	<ol style="list-style-type: none">1. Completes audit of CMHSP and holds an exit conference with CMHSP management.2. Issues a preliminary analysis within 60 days of the exit conference. The preliminary analysis is a working document and is not subject to Freedom of Information Act requests.
Audited CMHSP	<ol style="list-style-type: none">3. Within 10 days of receipt of the preliminary analysis, requests a meeting with the MDHHS Bureau of Audit, Reimbursement, and Quality Assurance to discuss disputed audit findings and conclusions in the preliminary analysis. Since the preliminary analysis serves as the basis for the final report, the CMHSP shall take advantage of this opportunity to ensure that any factual disagreements or wording changes are considered before the final report is issued.
MDHHS Bureau of Audit, Reimbursement, and Quality Assurance	<ol style="list-style-type: none">4. <u>If a meeting is requested</u>, convenes a meeting to discuss concerns regarding the preliminary analysis.
Audited CMHSP	<ol style="list-style-type: none">5. Within 14 days of the meeting with the MDHHS Bureau of Audit, Reimbursement, and Quality Assurance to discuss the preliminary analysis, submits to the MDHHS Bureau of Audit, Reimbursement, and Quality Assurance any additional evidence to support its arguments.
MDHHS Bureau of Audit, Reimbursement, and Quality Assurance	<ol style="list-style-type: none">6. Within 30 days of either the meeting to discuss the preliminary analysis, or receipt of additional information from the CMHSP, whichever is later, revises and issues the preliminary analysis as appropriate based on factual information submitted at the meeting or other supporting documentation provided subsequent to the meeting.
Audited CMHSP	<ol style="list-style-type: none">7. Within 30 days of receipt of the revised preliminary analysis, submits a brief written response indicating agreement or disagreement with each finding and recommendation. If there is disagreement, the response shall explain the basis or rationale for the disagreement and shall include additional documentation if appropriate. If there is agreement, the response shall briefly describe the actions to be taken to

	<p>correct the deficiency and an expected completion date. Include responses on the Corrective Action Plan Forms included in the preliminary analysis.</p> <p>8. If a meeting is not requested, within 30 days of receipt of the preliminary analysis, submits a brief written response to each finding and recommendation as described in STEP 1, #7 above.</p>
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STEP 2: FINAL AUDIT REPORT

MDHHS Bureau of Audit, Reimbursement, and Quality Assurance	<p>1. Within 30 days of receipt of the CMHSP's response to the preliminary analysis, prepares and issues final audit report incorporating paraphrased PIHP's responses, and Bureau of Audit, Reimbursement, and Quality Assurance responses where deemed necessary.</p> <p>2. Forwards final audit report to audited CMHSP and other relevant parties. The letter bound with the final audit report describes the audited CMHSP's appeal rights.</p>
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STEP 3: SETTLEMENT AND DISPUTE OF FINDINGS

Audited PIHP	<p>1. Within 30 days of receipt of the final audit report:</p> <ul style="list-style-type: none"> A. Submits payment to MDHHS for amounts due other than amounts resulting from disputed findings; and B. If disputing findings, appeals under MCL 400.1 et seq. and MAC R 400.3402, et seq. This process will be used for all CMHSP audits regarding the Specialty Service Contract whether they involve Medicaid funds or not. Requests must identify the specific audit adjustment(s) under dispute, explain the reason(s) for the disagreement, and state the dollar amount(s) involved, if any. The request must also include any substantive documentary evidence to support the position. Requests must specifically identify whether the agency is seeking a preliminary conference, a bureau conference or an administrative hearing. <p>To request an internal conference submit a written request within 30 days of the receipt of the management decision to:</p> <p>MDHHS Appeals Section P.O. Box 30807 Lansing, Michigan 48909</p>
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	<p>To request an administrative hearing, submit a written request within 30 days of receipt of the management decision to:</p> <p>Michigan Administrative Hearing Systems Michigan Licensing and Regulatory Affairs P.O. Box 30763 Lansing, Michigan 48909</p> <p>If MDHHS does not receive an appeal within 30 days of the date of the letter transmitting the final audit report, the letter will constitute MDHHS's Final Determination Notice according to MAC R 400.3405.</p> <p>C. Provides copies of the request for the Medicaid Provider Reviews and Hearings Process to the MDHHS Bureau of Audit, Reimbursement, and Quality Assurance, MDHHS Contract Management, and MDHHS Accounting.</p>
MDHHS Accounting	2. If the CMHSP has not requested the Medicaid Provider Reviews and Hearings Process within the time frame specified, implements the adjustments as outlined in the final report. If repayment is not made, recovers funds by withholding future payments.
MDHHS Contract Management Unit	3. Ensures audited CMHSP resolves all findings in a satisfactory manner. Works with the audited CMHSP on developing performance objectives, as necessary.

STEP 4: MEDICAID PROVIDER REVIEWS AND HEARINGS PROCESS

MDHHS Appeals Section	Follows the rules contained in MAC R 400.3402, et seq., and various internal procedures regarding meetings, notifications, documentation, and decisions.
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