Reasons for Recoupment

FY 24-25 SMHS Reasons for Recoupment

In alignment with DHCS Compliance Monitoring requirements and CalAIM Medi-Cal Transformation initiatives, recoupment shall be focused on identified overpayments and patterns in documentation suggestive of fraud, waste or abuse.

Fraud and abuse is defined in CFR, Title 42, section 455.2. W&I, section 14107.11, subdivision (d) also addresses fraud. Definitions for "fraud," "waste," and "abuse," as those terms are understood in the Medicare context, can also be found in the Medicare Managed Care Manual.

Effective 7/01/2024, the reasons for recoupment are:

- **Claim submitted for service during a lock-out**
  - Examples include but are not limited to: services provided while a client is incarcerated, hospitalized at an inpatient psychiatric facility, a Crisis Residential Treatment Program, IMD facility, and/or services provided that conflict with the same-day billing matrix.
- **Missing documentation of allowable service**
  - A service may have been provided, but there is no documentation provided as part of a Medical Record Review, Technical Assistance Review, or self-review conducted by the program.
- **Service not billable under Title 9**
  - Examples include but are not limited to: administrative only services, leaving a voice message, calling to schedule with a client and no other service was provided or deemed as solely academic, vocational, recreational, socialization, transportation, payee related

Reasons for Recoupment

- **Evidence of fraud, waste, abuse**
  - Billing for services not rendered or not medically necessary
  - Billing separately for services that should be a single service
  - Falsifying records or duplicate billing

*See FWA Reference FY24-25 Document for additional information

Reporting Suspected Fraud, Waste, Abuse:

- Any suspected fraud, waste or abuse shall be reported immediately to your program COR as well as the BHS QA team at QIMatters.HHSA@sdcounty.ca.gov
  - Programs should not begin self-disallowance of any services until investigation determines occurrence of fraud, waste or abuse but should be prepared to provide evidence of program integrity policy and record of regularly completed PI activities and complete service verification to confirm if paid claims for suspected services were provided to beneficiary.
- Any suspected fraud, waste, or abuse shall be reported to the DHCS State Medicaid Fraud Control unit by phone, online form, email, or mail:
  - 1-800-822-6222
  - fraud@dhcs.ca.gov
  - Medi-Cal Fraud Complaint – Intake Unit Audits and Investigations
  - P.O. Box 997413; MS 2500 Sacramento, CA 95899-7413

Additional information regarding BHS Compliance, Program Integrity and Fraud, Waste, and Abuse Reporting requirements can be reviewed in the Organizational Provider Operations Handbook on the Optum Website.