



**Commonwealth of Massachusetts**  
**Executive Office of Health and Human Services**  
**Office of Medicaid**  
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[www.mass.gov/masshealth](http://www.mass.gov/masshealth)



**MassHealth**  
**All Provider Bulletin 200**  
**January 2010**

**TO:** All Providers Participating in MassHealth  
**FROM:** Terence G. Dougherty, Medicaid Director *TGD*  
**RE:** **Federal Medicaid Integrity Program Provider Audits**

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***Important Information  
for All Providers***

The Centers for Medicare & Medicaid Services (CMS) has launched a national program under which federal contractors, called Audit Medicaid Integrity Contractors (Audit MICs), will perform field and desk audits in order to identify any overpayments. IPRO has been awarded an Audit MIC contract to conduct audits in Massachusetts, beginning in January 2010, and continuing through the next five years.

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***Background***

The Deficit Reduction Act of 2005 created the Medicaid Integrity Program and directed CMS to enter into contracts with businesses to review Medicaid provider actions, audit claims, identify overpayments, and educate providers and others on Medicaid program integrity issues. (See 42 U.S.C. § 1396u-6.)

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***What Is the Purpose of  
the IPRO Audit?***

As an Audit MIC, IPRO will perform audits to ensure that Medicaid payments are for covered services that were actually provided and properly billed and documented.

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***Which Providers Will  
Be Subject to Audit?***

Any Medicaid provider may be audited, including but not limited to, fee-for-service providers. Managed care entities, although excluded from the first phase, will eventually be included in the program.

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***How Are Providers  
Selected?***

Providers are selected for audits based on data analysis by other CMS contractors, or on a referral from MassHealth. Those providers selected for an audit will receive a notification letter from IPRO.

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***What Should a Provider Do If It Receives a Notification Letter That It Has Been Selected for Audit?***

A provider receiving an IPRO notification letter should gather the requested documents as instructed in the letter and cooperate with IPRO. Requested records must be made available to IPRO within the requested timeframes. As an Audit MIC, IPRO is authorized to request and review copies of provider records and interview providers and office personnel. IPRO is also authorized to access provider facilities.

IPRO will also contact the provider to schedule an entrance conference. Notification letters will identify a primary point of contact at IPRO to answer questions about the notification letter or audit process.

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***What Process Will Follow the Completion of the Audit?***

IPRO will prepare a draft audit report for CMS's review. Before CMS finalizes and issues the report, MassHealth and the provider will have an opportunity to review the report and comment. Once CMS finalizes the report, CMS will issue the report to MassHealth for collection of any overpayments.

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***Additional Information***

For information about the Medicaid Integrity Program, please e-mail [Medicaid\\_Integrity\\_Program@cms.hhs.gov](mailto:Medicaid_Integrity_Program@cms.hhs.gov).

**Comprehensive Plan 2007-2011**

[http://www.cms.hhs.gov/DeficitReductionAct/Downloads/CMI\\_P2007.pdf](http://www.cms.hhs.gov/DeficitReductionAct/Downloads/CMI_P2007.pdf)

**Other Medicaid Integrity Program helpful documents in PDF format**

[Medicaid Integrity Program A to Z](#)

[Medicaid Integrity Program \(MIP\) Provider Audits FAQs](#)

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