



The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
One Ashburton Place, Room 1109
Boston, Massachusetts 02108



CHARLES D. BAKER
Governor

KARYN E. POLITO
Lieutenant Governor

MARYLOU SUDDERS
Secretary

DANIEL TSAI
Assistant Secretary for
MassHealth

Tel: (617) 573-1600
Fax: (617) 573-1891
www.mass.gov/eohhs

February 28, 2018

Dear [name of MCO]:

As you know, MassHealth is strengthening the behavioral health system and investing \$1 billion over 5 years in behavioral health (continuation of \$60 million per year, or \$300 million over the next 5 years, in rate enhancements; \$219 million over 5 years in expanded treatment for addictions; and \$401 million over 5 years for Behavioral Health Community Partners). At the same time, program integrity is critical to MassHealth in order to ensure quality care, to protect the health and safety of members, and to instill public confidence. MassHealth expects its managed care entities to uphold program integrity (*see* Section 2.3.K. of the First Amended and Restated MassHealth Managed Care Organization Contract), including conducting program integrity activities in accordance with best practices that include provider education, technical assistance, corrective action plans and audit activities.

MassHealth has been made aware of certain recent audit activities conducted on behalf of your behavioral health (BH) subcontractor. While MassHealth acknowledges that these audits have identified legitimate billing issues (e.g., a provider billing a new patient encounter for an established patient), MassHealth has concerns with how the audits were conducted, including insufficient engagement and communication with the provider community.

As a result, effective immediately, you and/or your BH subcontractor will **pause certain BH audit activities** until October 1, 2018 or upon further notice from MassHealth. Also effective immediately, you and/or your BH subcontractor will **suspend execution on recoupments that have been noticed but not yet recovered** from providers as a result of these audits until providers are given an opportunity to submit documentation, as described below.

Where the submission of supplemental information can remedy the identified issues, all providers who have been notified of a recoupment, whether such recoupment has been executed or not, should be given until September 1, 2018 to submit documentation to resolve the identified documentation issues. This opportunity should be offered to all providers, including those that have already been through an appeals process and for whom recoupments have already been executed.



To the full extent permitted by applicable law, rules, and regulations, you and/or your BH subcontractor should allow attestation by the rendering provider as appropriate documentation.

Where appropriate documentation is accepted, recovered funds shall be repaid to the rendering provider. You and/or your BH subcontractor may require corrective action plans to be put in place by a provider.

Where you have reason to believe that a provider has engaged in fraud or abuse, all applicable contract requirements continue to apply, including providing written notification to EOHHS within ten days (*see* Section 2.3.K.2).

Moving forward, MassHealth maintains its expectations that you will continue to closely oversee and monitor all aspects of program integrity for the services under contract. MassHealth will work with you, its other managed care plans, and the provider and stakeholder community to outline clear expectations, process, and timelines for these topics. In addition, the MassHealth managed care plans and MassHealth will together review and clarify expectations for providers on required levels of documentation to support billing. MassHealth managed care plans, in partnership with provider associations, will provide additional educational sessions, bulletins, and technical assistance for providers.

Please contact your contract manager if you have any questions about the information contained in this letter. Thank you for your continued commitment to the integrity of the MassHealth program and to providing quality healthcare services to our members.

Sincerely,

Daniel Tsai
Assistant Secretary for MassHealth and Medicaid Director

cc: Marylou Sudders