
Financial Management Group

June 21, 2021

Lynnette R. Rhodes, Esq.
Executive Director, Medical Assistance Plans
Department of Community Health
2 Peachtree St., 36th Floor
Atlanta, Georgia 30303-3159

RE: Georgia State Plan Amendment 21-0004

Dear Ms. Rhodes:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number 21-0004. Effective July 1, 2021, this amendment proposes to revise the hospital auditing program to allow desk reviews/audits and focus reviews in lieu of on-site field audits. Current technology allows audits to be performed remotely instead of on-site or in-person.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We have found that the proposed methodology complies with applicable requirements and therefore have approved them with an effective date of July 1, 2021. We are enclosing the CMS-179 and the amended approved plan pages.

If you have any questions, please call Christie Erickson at (410) 786-8441.

Sincerely,

Francis T. McCullough

For

Rory Howe
Acting Director

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h. Advertising costs that are (a) for fund-raising purposes, (b) incurred in the sale or lease of a facility or agency or in connection with issuance of the provider's own stock, or the sale of stock held by the provider in another corporation, (c) for the purposes of increasing patient utilization of the provider's facilities, (d) for public image improvement, or (e) related to government relations or lobbying.

C. Audits

1. Background – To assure that recognition of reasonable cost is being achieved, a comprehensive hospital audit program has been established. The hospital common audit program has been established to reduce the cost of auditing submitted reports under the above three programs and to avoid duplicate auditing effort. The purpose is to have one audit of a participating hospital which will serve the needs of all participating programs reimbursing the hospital for services rendered.

2. Audit Program

The Department shall be responsible for the performance of desk reviews. The Department shall:

- a. Determine the audit scope and format.
- b. Contract annually for the performance of desk and focus reviews.
- c. Ensure all audits are performed in accordance with Professional generally accepted auditing standards of the AICPA.
- d. Ensure that only those expense items that the plan has specified as allowable costs under Section I of this plan have been included by the hospital in the computation of the costs of the various services provided under Title XIX of Georgia.

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- e. Review to determine the Georgia Medicaid Log is properly maintained and current in those hospitals where its maintenance is required.

3. Retention of Cost Reports

All audited cost reports received from the Medicare intermediary or issued to the Department will be kept for at least 2 years.

4. Overpayments and Underpayments

The Department may adjust the reimbursement of any provider whose rate is established specifically for it on the basis of cost reporting, whenever the Department determines that such adjustment is appropriate. The provider shall be notified in writing of the Department's intention to adjust the rate, either prospectively, retroactively or both. The terms of payment will be in accordance with the Department's policy. All overpayments will be reported by the Department to CMS as required. Information intentionally misrepresented by a hospital in the cost report shall be grounds to suspend the hospital from participation in the Georgia Medicaid Program.