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ONE HUNDRED FOURTEENTH CONGRESS
Congress of the United States
House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

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July 24, 2015

Dr. Shantanu Agrawal
Deputy Administrator and Director
Center for Program Integrity
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Dr. Agrawal:

Thank you for appearing before the Subcommittee on Oversight and Investigations on Tuesday, June 2, 2015, to testify at the hearing entitled "Medicaid Program Integrity: Screening Out Errors, Fraud, and Abuse."

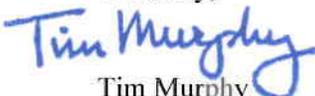
Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

Also attached are Member requests made during the hearing. The format of your responses to these requests should follow the same format as your responses to the additional questions for the record.

To facilitate the printing of the hearing record, please respond to these questions and requests with a transmittal letter by the close of business on Wednesday, July 8, 2015. Your responses should be mailed to Brittany Havens, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, D.C. 20515 and e-mailed in Word format to brittany.havens@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,



Tim Murphy
Chairman
Subcommittee on Oversight and Investigations

cc: The Honorable Diana DeGette, Ranking Member, Subcommittee on Oversight and Investigations

Attachments

Attachment 1—Additional Questions for the Record

The Honorable Tim Murphy

1. The Public Assistance Report System (PARIS) is supposed to help states check to see if an applicant or enrollee is already enrolled in another state's Medicaid program. HHS' Office of Inspector General recommended that CMS issue guidance to help states comply with the requirement for participating in PARIS. CMS indicated that it would do so by March of this year. Was this implemented on time? If not, why not?
 - a. What are (if any) impediments to states' participation in PARIS?
 - b. What actions has CMS taken or plans to take against states that are not appropriately using PARIS?
2. Is CMS tapping into all available government databases to cross-check provider and beneficiary information to combat waste, fraud, and abuse in the Medicaid program? For example, is CMS cross-checking against the FDA debarment list?
3. Current CMS regulations require states to screen beneficiaries annually for deceased individuals in Medicaid. Do you think screening more frequently could help prevent deceased beneficiaries receiving benefits?
 - a. Is this kind of process doable? Are there administrative constraints to screening more often than once per year?
4. According to the GAO report, CMS has not explored the feasibility of states using the full death master file in the periodic screening of individuals, outside of the initial enrollment or the annual revalidation period. Why not? Are there plans to study this?
5. GAO identified 47 providers—in just four states—with foreign addresses as their location of business, including Canada, China, India, and Saudi Arabia. How was it possible that a provider could list a foreign address? Could this happen still today? Why or why not?

The Honorable David McKinley

1. It seems as though the continuously increasing complexity of the Medicaid payment system has to be adding to the error or improper payment rates. Is there any effort being made to standardize pre-certification and billing processes for all providers?
2. Electronic medical records were intended to facilitate the accurate and timely flow and management of patient information. Is there any evidence that the EMRs are contributing to the increased error or improper payment rate?

The Honorable Michael C. Burgess

1. GAO released a report regarding third party liability in January of this year and made recommendations that focused on CMS' need to better support states through facilitation of information sharing and providing guidance to the states. Has CMS taken any steps towards providing additional guidance to the states to allow for increased monitoring and oversight of third party liability efforts?
2. On May 30, 2015, the Dallas Morning News published an article discussing lowly rated private nursing home facilities receiving Medicaid funds. Available at <http://www.dallasnews.com/news/metro/20150530-public-hospitals-help-nursing-home-operators-get-federal-funds.ece>.
 - a. Recognizing that most fraud controls are state-based, are there any federal Medicaid policies that prevent states from looking at lowly rated facilities and preventing these facilities from receiving federal funds?
 - b. Can you comment on what was identified in the Dallas Morning News article as a loophole for private low performing facilities drawing down CMS funding designed for public facilities to provide better quality or better coordinated care?
 - c. The state seems to identify that this is an issue. The state plans to take regulatory steps. Is there anything that CMS could do in the interim to help Texas in these efforts?
 - d. CMS recently released comprehensive payment information. We know who the high utilizers are. We know who the low quality star providers are in certain sectors. Is there anything in federal regulations that prevents states from implementing safeguards against excessive utilization or simply processing payments to suspicious low quality facilities?

The Honorable Richard Hudson

1. North Carolina is currently considering using managed-care to help control Medicaid costs. Managed-care (versus fee-for-service) can be a cost-effective delivery system of Medicaid benefits. What steps is CMS taking to ensure that there is program integrity and it doesn't become a program that is more susceptible to fraud?

Attachment 2—Member Requests for the Record

During the hearing, Members asked you to provide additional information for the record, and you indicated that you would provide that information. For your convenience, descriptions of the requested information are provided below.

The Honorable Michael C. Burgess

1. CMS uses the payment error rate measurement (PERM) program to determine the national payment error rate for Medicaid. The program is measured using a 17-state, 3-year rotation to produce and report national program error rates. Why was this method chosen?
 - a. How long has CMS been using this method to determine the improper payment rate?
 - b. Is it possible for CMS to assess each state's error rate on a yearly basis? If not, why not?

The Honorable Susan Brooks

1. How many federal and state employees are responsible for the administration of Medicaid?

The Honorable Markwayne Mullin

1. How many criminal referrals has CMS made to federal or state law enforcement over the past five years?