



**FEDERAL FISCAL YEAR 2009
STATE PROGRAM INTEGRITY ASSESSMENT (SPIA)**



State of North Carolina

PROGRAM CHARACTERISTICS	
Medicaid Enrollment:	Fee-for-service recipients: 1,864,952 Comprehensive managed care: 0 Primary care case management: Not Reported Other: 100,927 Total: 1,965,879
Organizational structure for Medicaid Integrity activities:	Distinct Program Integrity Model
Activities that the State includes under the scope of Medicaid Integrity:	Audits, Investigations, SURS/Data Mining, Provider Enrollment, Provider Education/Communications Other: Recoupment of overpayments, prepayment reviews, termination of providers and suspension of providers
Medicaid Integrity activities that the State contracts out:	Audits, Investigations, SURS/Data Mining, Provider Enrollment, Provider Education/Communications Other: Prepayment reviews
Estimate of expenditures (\$) for Medicaid Integrity activities:	\$2,437,414.59

PLANNING	
Staffing	
Total number of full-time equivalent employees (FTEs) for all functions considered to be Medicaid Integrity:	
Audits:	
Filled:	2
Vacant:	0
Investigations:	
Filled:	74
Vacant:	3
SURS/Data Mining:	
Filled:	0
Vacant:	0
Provider Enrollment	
Filled:	15
Vacant:	0
Provider Education/Communications:	
Filled:	0
Vacant:	0
Other: Not Reported	
Filled:	28
Vacant:	0
Strategic Planning	
State has a documented strategic plan to address Medicaid Integrity:	
For its Fee-For-Service program(s)?:	Yes
For its managed care program(s)?:	Not Applicable

PREVENTION	
Total number of participating Medicaid providers:	72,444
Number of providers applied for enrollment in Medicaid:	8,725 from 4/20/09 until 9/30/09 (15,550 approximate annualized)
Number of providers denied enrollment in Medicaid:	Accurate information not available from quarterline reporting (reported by Computer Science Corporation)
Pre-enrollment screening conducted on individuals/entities applying for Medicaid provider numbers:	In-state licensing board, HHS OIG's List of Excluded Individuals and Entities (LEIE), Criminal background investigations, Credentialing, Payroll Tax Records, Check if provider has another provider number under which the provider made inappropriate payments Other: Mental Health provider endorsement and National Accreditation
State maintains its own list of providers who have been involuntarily dis-enrolled:	Yes

DETECTION	
State typically extrapolates overpayments:	Yes
Total number of provider audits conducted:	
Desk Audits	
State staff:	905
Contractor staff:	507
Field Audits	
State staff:	0
Contractor staff:	0
Provider Self-Audits	
State staff:	67
Contractor staff:	0
Combination Desk/Field audits	
State staff:	929
Contractor staff:	0
Cost report Audits	
State staff:	Not Reported
Contractor staff:	Not Reported
Total	
State staff:	1,901
Contractor staff:	507
Overpayments (\$) identified as a result of provider audits:	
Desk Audits:	\$17,609,527.17
Field Audits:	\$0.00
Provider Self-Audits:	\$846,664.54
Combination Desk/Field Audits:	\$5,837,600.45
Cost Report Audits:	\$0.00
Total:	\$24,293,792.16

INVESTIGATION AND RECOVERY	
Referrals to Law Enforcement	
Number of referrals accepted by the MFCU:	5
Number of referrals made to the MFCU:	12
Provider Suspensions & Sanctions	
State imposes <u>provider payment suspensions</u> due to inappropriate or fraudulent activities:	Yes
State imposes <u>provider sanctions</u> due to inappropriate or fraudulent activities:	Yes
Cost Avoidance	
State calculates the dollars cost avoided from terminating providers:	No
State calculates the dollars cost avoided from providers that withdrew due to program integrity concerns:	No
State calculates cost avoidance dollars due to changes in payment systems:	Yes
State measures cost avoidance dollars due to policy changes:	Yes
Recoveries	
Total recoveries (\$) from provider audits:	
Desk Audits:	\$0.00
Field Audits:	\$0.00
Provider self-audits:	Not Reported
Combination desk/field audits:	\$24,666,273.48
Cost report audits:	Not Reported
Total:	\$24,666,273.48
Total dollars recovered from ALL Medicaid Integrity activities	\$115,531,862.94