
Attachment A – Statement of Work

DMS-20/21-104

POST PAYMENT CLAIMS REVIEW AUDIT SERVICES

1.0 **STATEMENT OF WORK**

The Division of State Group Insurance (Division) is seeking a Contractor for post payment claims review audit services, including but not limited to the discovery and recovery of overpaid medical claims. The audit period is annually beginning July 29, 2021. Contractor will conduct a post payment claims review audit of the State Employees' PPO and HMO plans established pursuant to s. 110.123, Florida Statutes.

1.1 In doing so, Contractor shall conduct tests to detect overpaid claims resulting from, but not limited to:

- Assistant Surgeon services
- Anesthesia payment errors
- Benefit Limitations
- Coordination of Benefits
- Correct Coding
- Copayment Benefits
- Duplicate Payments
- Eligibility
- Expired Codes
- Global Days
- High Cost Claims (Over \$100,000)
 - Billing Errors
 - Charge Unbundling
 - Mismatch of Service and Billing
 - Experimental Treatments
 - Hospital Acquired Conditions
- Medically Unlikely
- Medicare Fee Schedules
- Multiple Surgery Fee Cuts
- Non-Covered Benefits
- Timely Filing

1.2 In addition, Contractor shall have strong capabilities to proactively identify or recover overpaid claims. The Contractor will be responsible, among others, for the following services:

- Review of 100% of claims paid during the audit period,
- Identification of overpaid claims,
- Use of third party administrators' (TPAs') claims processing rules to identify payment errors,
- Verification and validation of overpayments with the state TPAs,
- Notification of overpaid amounts to providers/subscribers (all notifications must be approved by the Division),
- Recovery of overpayments in compliance with the state and federal rules and regulations regarding the recovery of overpaid claims,
- Develop recovery process, including but not limited to the generation of recovery letters, lag reports, etc.,
- Development and issuance of management reports to the state (frequency to be determined before contract execution),
- Development of a report containing itemized charges and the clinical story for high cost claims (over \$100,000.00) with evidence to support overpayment,
- Development and issuance of data files to TPA regarding recovery of overpaid claims,
- Files produced for TPAs to ensure claims history is updated as a result of the recovery of overpaid claims,
- Development of a process for the tracking and transfer of recovered amounts to the Division,
- Development of a process to be able to physically prove that the overpayments have been returned to the State of Florida, and
- Provide data and documentation to the Division to permanently fix payment problems discovered through the audit process.

2.0 Deliverables

Project deliverables for the services detailed in this RFP shall include the following:

- 2.1** Weekly/biweekly transmission of potential identified overpaid claims to the service provider.
- 2.2** Monthly reporting to the Department for the overpayments identified and the overpayment amounts recovered.
- 2.3** Draft and final audit reports identifying all overpayments for the audit period, the root cause, and corrective measures to remedy the deficiencies. The final audit report shall include an executive summary, audit scope, methodology, results and findings, and recommended corrective actions.
- 2.4** Standard Reporting for overpayments and related details may be requested by Department on a weekly, monthly, quarterly and/or annual basis and shall be provided by the Contractor.

2.5 Ad Hoc Reporting related to contractual compliance issues or in response to inquiries, complaints, and other questions raised by providers or other parties may be requested by Department and shall be provided by the Contractor.

3.0 FINANCIAL CONSEQUENCES

DMS reserves the right to impose financial consequences upon the Contractor for failure to comply with the performance standard requirements set forth below.

Performance Standard Requirement	Financial Consequences
As defined in Attachment E: Performance Guarantees of this RFP	As defined in Attachment E: Performance Guarantees of this RFP