

SENATE BILL NO. 235

INTRODUCED BY M. MCNALLY

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A BILL FOR AN ACT ENTITLED: "AN ACT EXTENDING THE PERIOD FOR WHICH RECORDS MAY BE REQUESTED FOR AN INITIAL MEDICAID OVERPAYMENT AUDIT; AMENDING SECTION 53-6-1402, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 53-6-1402, MCA, is amended to read:

"53-6-1402. Overpayment audit procedures -- provider records -- limitations on record requests and reviews -- onsite audits. (1) When conducting an overpayment audit, the department or an auditor shall:

- (a) allow the provider at least 30 days to comply with a request to provide records;
- (b) include in a request for records adequate information to allow the provider to identify the particular records sought;
- (c) allow providers to submit the requested records in an electronic format; and
- (d) allow reasonable extensions of the 30-day compliance period for good cause.

(2) If an auditor is conducting an overpayment audit and requires the provider to provide records in a nonelectronic format, the auditor shall reimburse the provider for the cost of providing the records.

(3) (a) For an initial overpayment audit, the department or an auditor may request up to ~~6~~ 12 months of records from a provider for claims paid by the medicaid program up to 3 years before the request was made.

(b) If the department or an auditor demonstrates a significant error rate, the department or the auditor with the department's approval may request additional records related to the issue under review for purposes of a followup audit.

(c) The 3-year limitation in subsection (3)(a) does not apply to a record request by the department or auditor for purposes of a followup audit but does apply to such a request by a recovery audit contractor.

(4) The department or an auditor may not request records or perform an overpayment audit regarding services that were provided outside the period of time for which providers are required by applicable law to retain records for purposes of the medicaid program.

(5) Except in cases of suspected fraud or criminal conduct, the department or an auditor may not

1 schedule an onsite overpayment audit without first providing written notice at least 10 days in advance of the
2 onsite audit. The department or auditor shall make a good faith effort to establish a mutually agreed-upon date
3 and time for the onsite audit."

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5 NEW SECTION. **Section 2. Effective date.** [This act] is effective July 1, 2019.

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