

# FREQUENTLY ASKED QUESTIONS

## Contract-Level Risk Adjustment Data Validation (RADV) FAQs

**Q1: How and when will CMS notify Medicare Advantage Organizations (MAOs) if they have been selected for future audits?**

**A1:** CMS aims to initiate the next RADV audits in the coming months and will notify MAOs at that time. CMS will notify MAOs selected for audit as far in advance as possible prior to opening the medical record submission window to provide time to begin preparations for designating their point(s) of contact and gathering and submitting beneficiaries' medical records. MAOs will receive communications from CMS that will include information such as audit timelines, an overview of the RADV audit process, and medical record submission instructions.

**Q2: Will CMS publish its contract selection criteria?**

**A2:** CMS endeavors to provide RADV audit program transparency and will communicate regarding RADV audit timelines, methods, and medical record submission instructions prior to opening a medical record submission window for a given audit. MA contracts selected for audit in the future will be informed about the audit methods through (HPMS) memos and/or other appropriate means.

**Q3: How will CMS address practical challenges posed by the passage of time since the 2017 dates of service that generate plan year 2018 risk scores? (examples: physician has passed away, is no longer contracted, or otherwise fails to provide records?)**

**A3:** The record retention requirements incorporated in MAO contracts have been in place since the beginning of the MA program. Under 42 CFR 422.504(d), MAOs are required to maintain records, documents, etc. for 10 years to accommodate the periodic auditing of financial records for such purposes as determining Medicare utilization, costs, and amounts payable under the contract. Further, § 422.504(i) extends these record retention requirements to providers of health care services under contract with the MAO. This regulation further specifies that the Federal Government has the right to audit an MAO through 10 years from the end of the final contract period. If there is difficulty gathering the initial medical record, MA organizations should verify whether there is an alternative medical record for the enrollee that supports the audited CMS-HCC(s). MA organizations experiencing an extraordinary circumstance preventing them from obtaining a medical record to support an audited CMS-HCC may submit a hardship exception request. CMS will review each request and supporting documentation to decide on a case-by-case basis. CMS will provide information regarding how and when to submit hardship exception requests at the beginning of an audit.

**Q4: Does CMS intend to apply the 99 percent confidence interval from the 2012 methodology?**

**A4:** CMS will rely on any statistically valid method for sampling and extrapolation that it determines to be well-suited to a particular audit (88 FR 6651, Feb. 1, 2023). As outlined in the final RADV rule (CMS-4185-F2), CMS is not adopting a specific sampling methodology that will be applied to all audits in the future but, rather, will rely on a statistically valid method(s) for sampling and extrapolation that it determines to be well-suited to a particular audit (88 FR 6654, Feb. 1, 2023). CMS will continue to disclose our extrapolation methodology to MAOs through HPMS memos or other appropriate means, providing MAOs with the information sufficient to understand the methods CMS uses to extrapolate improper payment amounts.

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**Q5: Will CMS extrapolate results from OIG audits that span the 2017 and 2018 plan years?**

**A5:** CMS will not apply extrapolation to payment year (PY) audits prior to PY 2018, as specified in the final rule (CMS-4185-F2) (42 CFR 422.311(a)(2)).

**Q6: What is CMS' process to collect extrapolated amounts resulting from OIG and CMS audits?**

**A6:** As outlined in the final RADV rule, the RADV program includes three levels of administrative appeal. CMS will begin the process to collect extrapolated amounts resulting from contract-level RADV audits after MAOs have exhausted their administrative appeal rights. Additional technical details about the overpayment recovery process will be communicated to MAOs in the near future.