

# ***Request for Proposal***

## ***Medicaid and Non-Medicaid Billing Verification Audit***

***Issue Date: December 30, 2024***

***Response Due Date: January 27, 2025, by  
12:00PM***

**MACOMB COUNTY COMMUNITY MENTAL HEALTH**

*Guided by the values, strengths, and informed choices of the people we serve, Macomb County Community Mental Health provides an array of quality services which promote community participation, self-sufficiency, and independence*

# REQUEST FOR PROPOSALS

## Medicaid and Non-Medicaid Billing Verification Audit

### Table of Contents

I.	OVERVIEW.....	3
A.	Deadline.....	3
B.	Rejection of Proposals.....	3
C.	Incurring Costs.....	3
D.	Disclosure of Pre-Proposal Contents Freedom of Information Act.....	3
E.	Acceptance of Proposal Content.....	3
F.	Right to Re-Bid.....	3
G.	Contract Award Date.....	3
II.	SCOPE OF SERVICES.....	4
A.	Overview.....	4
B.	Minimum Standards and Requirements.....	4
III.	BIDDER REQUIREMENTS/EXPECTATIONS.....	5
IV.	CONTENT OF PROPOSAL.....	5
A.	Title Page.....	5
B.	Table of Contents.....	5
C.	Description of Bidder’s Experience.....	6
D.	Description of Scope Work.....	6
E.	Program Implementation.....	7
F.	Cost of Services.....	7
G.	Organizational Information.....	8
H.	Identification of Anticipated Problems.....	8
I.	Additional Information.....	8
J.	Disclosure.....	8
K.	Debarment and Suspension.....	8
L.	Contract Negotiations.....	8
M.	Oral Presentation.....	9
V.	PROPOSAL EVALUATION.....	9

## **REQUEST FOR PROPOSALS**

### **Medicaid and Non-Medicaid Billing Verification Audit**

#### **I. OVERVIEW**

Macomb County Community Mental Health (MCCMH) announces a Request for Proposal (RFP) from qualified Bidders for Medicaid and non-Medicaid Billing Verification Audit services for MCCMH directly operated programs and its contracted Vendors, including both the Mental Health and Substance Use Disorder Networks. The audit services for this period will include one hundred percent (100%) of the MCCMH Network.

##### **A. Deadline**

The deadline for submission of this proposal is **12:00PM on January 27, 2025**. Proposals received after this date and time will not be considered.

##### **B. Rejection of Proposals**

MCCMH reserves the right to reject any and all proposals received as a result of the RFP, or to negotiate separately with any source whatsoever in any manner necessary to serve the best interests of MCCMH. This RFP is made for information and planning purposes only. MCCMH does not intend to award the contract solely on the basis of any response made to this request, or otherwise pay for the information solicited or obtained. MCCMH may request clarification from any applicant under active consideration and may give any applicant an opportunity to correct defects in its proposal.

##### **C. Incurring Costs**

MCCMH is not liable for any cost incurred by contractors prior to the issuance of a contract.

##### **D. Disclosure of Pre-Proposal Contents Freedom of Information Act**

Be advised that all information submitted in response to public Request for Proposals may be divulged under the provisions of the Freedom of Information Act (FOIA). It is MCCMH's general practice to assert the MCL 15.243(1)(i) competitive bidding exemption to FOIA requests until the deadline passes for bids to be received.

##### **E. Acceptance of Proposal Content**

All terms contained in this RFP as well as the terms within the prevailing Bidder's response may become a contractual component of a formal contract. Failure by the successful Bidder to accept these terms may result in a re-award of the contract to the second place Bidder.

##### **F. Right to Re-Bid**

MCCMH reserves the right to rebid all or some components of this Request for Proposal (RFP) in the event of significant changes to Medicaid Policy or other future federal, state, or locally applicable laws, regulations or MCCMH policies.

##### **G. Contract Award Date**

The Bidder selected through this process will be awarded a two (2) year contract with an option for one (1) year renewal at MCCMH's discretion, dependent on performance, funding, and system need.

## **REQUEST FOR PROPOSALS**

### **Medicaid and Non-Medicaid Billing Verification Audit**

It is anticipated that the contract will be awarded by March 1, 2025. The selected Bidder, once awarded a contract, shall not assign or delegate any duties or obligations under the contract without written approval of MCCMH.

#### **II. SCOPE OF SERVICES**

##### **A. Overview**

MCCMH seeks a Bidder who can provide a Medicaid and non-Medicaid Billing Verification Audit Services. The successful Bidder is to conduct Medicaid and non-Medicaid billing verification audits of for MCCMH directly operated programs and its contracted Vendors, including both the Mental Health and Substance Use Disorder Networks.

##### **B. Minimum Standards and Requirements**

The awarded Bidder is required to conduct services that conform to generally accepted auditing standards. The Bidder is expected to demonstrate experience with governmental accounting, Generally Accepted Accounting Principles, and apply knowledge of Government Accounting Standards Board pronouncements. Bidders are required to have appropriate staff to generate the sampling methodology, conduct the audit with staff trained on the MCCMH billing verification requirements, and produce reports as required by MCCMH.

The audit process will verify the existence of clinical records for each claim in the audit sampling. The audit will also verify the reasonableness of the clinical record associated with each claim. Instructions will be provided on a Vendor-by-Vendor basis as to what each record should contain as it pertains to the service line. The audit will also verify that the services specified in the claim are part of the person(s) served Individual Plan of Service (IPOS). Additionally, the audit will validate licensure and credentials of staff including supervisory staff delivering audited services as required by the Michigan Medicaid Provider Manual (MPM), the Office of Licensing and Regulatory Affairs (LARA), and Michigan law. Vendors will be given 30-day notice of the audit and will be given 24-hour notice of which individual(s) served records will be audited. The audit process is to be comprised of desk auditing (through the FOCUS Electronic Medical Record) and on-site audits at Vendor locations.

The selected Bidder will be required to complete the following reports as part of the scope of service (format to be pre-approved by MCCMH):

1. A final report for each Vendor and Provider detailing findings by claim and including the dollar amount of claims which were not supported by appropriate clinical records. The report will list claims for services not represented on the person(s) served IPOS. These reports are to be submitted as each Vendor and Provider audit is completed.
2. An Executive Summary Report which will summarize at the Vendor and Provider level the number and dollar amount of claims not supported by appropriate clinical records and the number and dollar amount of claims for services which were not

## **REQUEST FOR PROPOSALS**

### **Medicaid and Non-Medicaid Billing Verification Audit**

represented on the individual(s) served IPOS. MCCMH expects the Executive Summary Report and all of the Vendor and Provider reports to be submitted to MCCMH by the second Monday in September of the auditing year.

### **III. BIDDER REQUIREMENTS/EXPECTATIONS**

- A. The Bidder is required to utilize a licensed certified public accountant in the state of Michigan, and that the Bidder meets the independence standards of the Government Auditing Standards (GAO) (1994 Revision) and meets the GAO continuing education standards.
- B. The Bidder will be expected to be knowledgeable and have expertise in billing CPT codes specific to the services outlined in this RFP (See State website for applicable CPT codes [Reporting Requirements \(michigan.gov\)](https://www.michigan.gov) SFY 2024 Behavioral Health Code Charts and Provider Qualifications).
- C. The Bidder shall be able to demonstrate competency and knowledge of the Michigan mental health system. Macomb County specific knowledge is preferred.
- D. The selected Bidder will be required to assume responsibility for all services offered in its proposal. The Bidder must contractually agree that it will not discriminate against employees or applicants for employment in violation of any law.
- E. The selected Bidder shall contractually acknowledge its ability to comply with all privacy and security standards as stipulated by the Health Insurance Portability and Accountability Act (HIPAA) of 1996.
- F. The selected Bidder shall contractually acknowledge its ability to comply with all Federal and Michigan Laws, regulations and the Michigan Administrative Code, the Michigan Mental Health Code, 42 CFR, and the Michigan Department of Health and Human Services (MDHHS) contractual obligations.

### **IV. CONTENT OF PROPOSAL**

The proposal should describe a work plan outlining how the Bidder will provide the services outlined in the RFP. The Bidder should describe the philosophy that will be utilized, along with the interest and capacity to meet the needs of our system of care. The Bidder should describe any qualifications and/or experience and/or demonstrated competency specifically related to the services outlined in this RFP. Please follow the format below to address each item.

- A. Title Page  
Please identify the RFP subject, name of your organization, address, and lead contact individual at your organization along with their contact information.
- B. Table of Contents  
Include a clear identification of the material by section and page number.

## **REQUEST FOR PROPOSALS**

### **Medicaid and Non-Medicaid Billing Verification Audit**

#### **C. Description of Bidder's Experience**

Provide an overall description of your agency experience including:

- 1) History of experience and ability to provide the proposed services.
- 2) Experience contracting with a Prepaid Inpatient Health Plan (PIHP) and/or Community Mental Health system.

The Bidder must provide at least one (1) reference letter from a Medicaid payer, demonstrating a current contract is in good standing and/or former contract(s) were executed satisfactorily.

#### **D. Description of Scope of Work**

The proposal must describe a detailed work plan outlining how the Bidder will provide the services outlined in the RFP. The Bidder is required to describe the philosophy that will be utilized, along with the interest and capacity to meet the needs of our system of care. The total number of MCCMH directly operated and contract Vendor agencies to be audited is approximately 185, with approximately 23 substance use disorder contracted Vendors to be audited as well.

The audit cycle to be performed in 2025 will contain approximately 35,000-40,000 claim lines for audit relative to MCCMH directly operated programs and contracted Vendors and approximately 20,000-25,000 claim lines for audit relative to substance use disorder contracted Vendors. Provider claims are entered in the MCCMH FOCUS Electronic Medical Record (EMR), in either a series billing or line-item format. The series billed and line-item billed Providers are separated into the Provider listing. Where Providers bill in both formats, they will appear twice on the list.

Expectations for the delivery of Billing Verification Audits are governed by MCCMH MCO Policy 3-001, Audit Content and Timeline (which can be found on the MCCMH website at [www.mccmh.net](http://www.mccmh.net)), and MDHHS Medicaid Provider Manual (Behavioral Health and Intellectual Developmental Disability Supports found on the MDHHS website). The successful Bidder will be required to conduct these audits in accordance with generally accepted auditing standards and the Michigan Department of Health and Human Services Verification of the Delivery of Medicaid Services Methodology guidelines (copy attached). The successful Bidder will also be required to comply with all confidentiality provisions of the Michigan Mental Health Code (P.A. 258 of 1974 as amended) and the Health Insurance Portability and Accountability Act (HIPAA) of 1996.

1. Bidders must provide a description, in narrative form, detailing the approach to providing the services outlined in this RFP. The narrative should be supported with a comprehensive work plan.
2. Bidders must provide a work plan that should include the estimated time to complete the audit after records are made available as well as time estimates for each significant segment of work and the staff level to be assigned. When possible, individual staff members should be named.

## **REQUEST FOR PROPOSALS**

### **Medicaid and Non-Medicaid Billing Verification Audit**

3. Bidders must state, and specifically detail, their understanding of the work to be performed and affirm commitment to performing the work within the period specified.
  4. Bidders must explicitly state the names of the people in their agency who will be authorized to make a representation for your response as well as their official titles, address(es), and telephone number(s).
  5. Bidders must identify their engagement team; engagement partner, audit manager, and the supervisor(s) who will work the audits, including any staff from anywhere other than the local office.
  6. Bidders must include resumes for staff that will be dedicated to MCCMH for the purpose of these services. These should include relevant experience and continuing education for each of the positions listed above.
  7. Bidders must describe in detail recent auditing contracts for tax exempt and/or governmental organizations.
  8. Bidders must describe in detail the agency's quality control processes.
  9. Bidders must describe in detail how they will identify a peer review firm for your agency and describe the results of any recent participation in peer review, including the time frame it was last completed. This is not applicable to behavioral health consulting firms.
  10. Bidders must describe in detail their process for how they will maintain and submit all of the following:
    - a. Working papers: Audit work papers, including time records, planning documents, and other documentation must be retained for at least seven (7) years from the engagement close out date.
    - b. Progress Meetings: Progress meetings shall be held with MCCMH monthly. A written status report will be required, which covers work being compensated, started, and planned for the next period along with a comparison of budgeted to actual hours and progress against milestones.
    - c. Type of Contract: Compensation will be provided for actual hours expended on the engagement at approved hourly billing rates, within maximum limits.
    - d. Scope Changes: The scope of the work to be undertaken will not be altered without the written consent and approval of MCCMH.
- E. Program Implementation  
The Bidder must indicate the agency's ability to begin services and a timeline for a plan for full implementation.
- F. Costing of Services  
The Bidder must include the cost of the following, including only those costs at a rate at which they will actually be billed so that hours can be evaluated:
- a. Estimated hours on the assignment for each classification of personnel;
  - b. Rate per hour for each classification of personnel;
  - c. Maximum total fee to conduct the audit; and
  - d. Maximum total expenses to conduct the audit.

## **REQUEST FOR PROPOSALS**

### **Medicaid and Non-Medicaid Billing Verification Audit**

The price quoted will be the maximum amount paid. The maximum price will only be exceeded with the written consent of MCCMH and in the event that extreme and/or unanticipated circumstances affect the scope of the engagement.

**G. Organizational Information**

The Bidder must provide reference to any litigation involving the organization during the past five (5) years.

**H. Identification of Anticipated Problems**

The Bidder must identify and describe any anticipated or potential problems, the approach to resolving these problems and any special assistance that will be requested from MCCMH.

**I. Additional Information**

The Bidder must indicate any additional information to be considered that demonstrates the Bidder's qualifications to provide the proposed services.

**J. Disclosure**

The Bidder must acknowledge any relationship between the Bidder's principal officers and board members and any members of MCCMH (to include employees, board members, and principal directors). Disclosure must also be made regarding the Bidder's relationship, if any, with any member of the Macomb County Board of Commissioners or any Macomb County Department Head.

**K. Debarment and Suspension**

The Bidder must acknowledge that they agree to comply with Federal regulation 42 CRF Part 180 and certifies they: 1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency; 2. have not been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; 3. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated above, and: 4. have not had one or more public transactions (federal, state or local) terminated for cause or default.

**L. Contract Negotiations**

Negotiations may be undertaken with those potential Bidders whose proposals prove them to be qualified, responsible, and capable of performing the work. The contract that may be entered into will be that which is most advantageous to MCCMH. MCCMH reserves the right to consider proposals or modifications thereof received at any time before the award is made, if such action is determined to be in the best interest of MCCMH.



## **REQUEST FOR PROPOSALS**

---

### **Medicaid and Non-Medicaid Billing Verification Audit**

#### **M. Oral Presentation**

Bidders who submit a proposal may be required to make an oral presentation of its proposal.

### **VIII. PROPOSAL EVALUATION**

Submitted proposals will be evaluated in the following areas by the Procurement Review Committee.

- A. The Bidder's experience, expertise and staffing in the provision of related services.
- B. General Requirements.



*N.B. Please be advised that ALL information submitted in response to public Request for Proposals may be divulged under the provisions of the Freedom of Information Act (FOIA). Confidential or proprietary information cannot be shielded from disclosure under the FOIA requirements for a public bid process.*