Alaska Department of Health

Office of the Commissioner
Medicaid Program Integrity

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Revision Date: 6/16/2025

Provider Self-Audit FAQs

Q1. What is a provider self-audit?

A self-audit is an audit, examination, review, or other inspection performed both by and within a given physician's or other health care professional's practice or business. In other words, a self-audit is audit work that the entity does for itself.

The purpose of the self-audit is to ensure services billed to Alaska Medicaid are supported by adequate documentation. Specifically, the documentation must include the elements identified in 7 AAC 105.230 and any other regulation specific to your provider type. In addition, the self-audit process helps to assess, correct, and maintain controls to promote compliance with applicable laws, rules, and regulations. The Department of Health has published a self-audit checklist to assist with the process.

Q2. The self-audit process referenced in 7 AAC 160.115 appears to apply to only medical practices. Does this requirement apply to other Medicaid provider types, i.e., assisted living homes, transportation providers, substance user disorders providers?

Yes. The self-audit requirement applies to all enrolled Alaska Medicaid providers.

Additional information about self-audits is available at Medicaid Provider Self-Audits | State of Alaska | Department of Health.

Q3. When is the next round of self-audits due and what calendar year is it for?

Alaska Medicaid providers are required to complete a self-audit once every two years. The next round of self-audits are due by December 31, 2026. A provider may choose to conduct a self-audit on paid claims with the dates of service for either calendar year 2023 or 2024.

Q4. Will self-audit assistance or training be available to providers and billers?

The following educational documents have been created by Medicaid Program Integrity to assist providers through this new requirement and have been posted on the Medicaid Program Integrity webpage.

- Suggested Provider Self-Audit Steps
- How to Determine the sample size in RAT-STATS
- How to Obtain a Statistically Valid Random sample in RAT-STATS
- Provider Self-Audit checklist
- Additional self-audit information, including the Provider Self-Audit Attestation form, is available at Medicaid Provider Self-Audits | State of Alaska | Department of Health.

Medicaid Program Integrity does not currently have the resources to conduct onsite training.

Q5. How frequently must self-audits be completed?

Self-audits must be completed once every two years.

Q6. What is the "universe" of claims?

The universe of claims is the total number of paid Medicaid claims for the dates of service in the selected calendar year at the claim header level. This includes all Transaction Control Numbers (TCN) identified on your Remittance Advices (RA) that paid at an amount greater than $0.00. Some of the claims in the calendar year may be paid in a subsequent year, i.e. date of service December 20, 2023, was paid on January 15, 2024. That claim should be included in the universe.

Q7. I have a MAC computer and RAT-STATS application is only for PC computers, what do I do?

You are not required to use RAT-STATS. You may use any valid statistical software package available for MAC. If you are unsuccessful in finding a software package for MAC, please email QAPIProgramIntegrity@alaska.gov with your universe size for assistance with determining the sample size and obtaining the valid random sample of claims to audit.

Q8. Can a self-audit be performed at the taxpayer ID level, or does it have to be completed at the Medicaid ID level?

Large providers typically have multiple Medicaid provider IDs under their tax ID. A provider has the option to choose to perform the audit at the tax ID level or the Medicaid ID level.

If the tax ID is chosen, the universe of claims will include claims from all Medicaid provider IDs. The attestation form must clearly identify all the provider's Medicaid ID audited under the tax ID.

If the Medicaid Provider ID level is chosen, the attestation form and the self-audit reports will need to be submitted for each Medicaid provider ID.

Q9. Will the Department or its fiscal agent, HMS-Gainwell, be able to provide a download of claims for providers for their selected calendar year self-audit?

No, a provider may use their RA information together with their internal practice software and accounting system to develop the universe of claims for review.

Q10. How many claims should be reviewed, and over what date spans?

The number of claims (sample size) is determined using a statistically valid random sampling tool such as RAT-STATS or other statistical software https://oig.hhs.gov/compliance/rat-stats/index.asp. Audits span one calendar year of paid claims. Depending on the size of your universe, RAT-STATS generally produces a sample size in the range of 60-120 claims at the Medicaid Provider Identification level.

If you are a large organization or auditing at the taxpayer identification level your sample size may be larger.

Q11. What if RAT-STATS does not return a sample size when I use the recommended Anticipated Rate of Occurrence and Desired Precision Range together with my universe size?

This sometimes happens in situations where your universe is smaller. It's recommended you audit a minimum of 10-15% sample of your universe. Alternatively, some providers choose to audit 100% of their claims.

Q12. When is an overpayment considered to be "identified"?

A person has identified an overpayment when the person has or should have, through the exercise of reasonable diligence, determined that the person has received an overpayment and quantified the amount of the overpayment. An overpayment must be reported within 10 days and repayment must be made within 60 days after the date on which the overpayment was identified unless a repayment agreement has been established.

Q13. What should be included in the self-audit report?

The self-audit report should include:

- the method used to sample the claims,
- the sampled claims Medicaid assigned transaction control number (TCN),
- the outcome of the individual claim audit (i.e. correct claim, incomplete/missing documentation, not medically necessary, billed as a consultation rather than an office visit, upcoded, unbundled),

- the identified amount of overpayment to be paid back to the department,
- a corrective action plan, if necessary.

The self-audit report can be submitted in any readable format as long as the information listed above is included. The Medicaid Program Integrity Provider Self-Audit website does provide a report sample for providers to use.

Q14. What if my electronic medical records system (EMR) does not capture the Medicaid transaction control number (TCN) from the remittance advice (RA)?

If you are unable to reproduce a complete listing of TCNs, you may utilize your internal claim identifier together with the following additional identifiers: the patient's Medicaid ID number, the date of service and procedure or revenue code billed. This will be sufficient information for Medicaid Program Integrity to tie back to the TCN.

Q15. If overpayments are discovered through the provider self-audit, where do I send the money?

Checks should be made payable to the State of Alaska and should be submitted to:

DOH/Medicaid Program Integrity
Attn: Provider Self-Audits
3601 C Street, Suite 902
Anchorage, AK 99503

If a provider discovered an overpayment(s) through the provider self-audit process, void/adjustments forms (AK-05) with or without check, should not be sent to Alaska Medicaid's fiscal agent, instead send a check to the address listed above.

Medicaid Program Integrity Resources

- Medicaid Program Integrity webpage
  https://health.alaska.gov/en/services/medicaid-provider-self-audits/
- Provider Self-Audit Attestation form
- Office of Inspector General Statistical Software RAT-STATS
  https://oig.hhs.gov/compliance/rat-stats/index.asp
- Medicaid Program Integrity email address
  QAPIProgramIntegrity@alaska.gov
- Provider Self-Audit regulations: Alaska Admin Code