

SECTION: 6 CHAPTER: 1700
POLICY: 1704, Encounter Validation Studies

1. PURPOSE:

The Centers for Medicare and Medicaid Services (CMS) requires the Arizona Health Care Cost Containment System (AHCCCS) to conduct encounter validation studies as a condition for receiving Federal Medicaid funding. The Arizona Department of Health Services/Division of Behavioral Health Services (ADHS/DBHS) requires the Regional Behavioral Health Authorities (RBHAs) to conduct encounter validation studies of their providers. For guidelines on the RBHA encounter data validation process, see the [Office of Program Support Operations and Procedures Manual](#).

The purpose of encounter validation studies is to compare recorded utilization information from a clinical record or other source with submitted encounter data. The review “validates” or confirms that covered services are encountered timely, correctly and completely.

The purpose of this section is to require RBHAs to:

- a. Inform providers that encounter validation studies may be performed by AHCCCS, RBHAs and/or ADHS/DBHS staff; and
- b. Convey ADHS/DBHS’ expectation that providers cooperate fully with any encounter validation review that AHCCCS, the RBHAs and/or ADHS/DBHS may conduct.

2. PROCEDURES:

- a. The criteria used in encounter validation studies include timeliness, correctness, and omission of encounters, in addition to encountering for services not documented in the medical record. These criteria are defined as follows:
 - i. Timeliness-The time elapsed between the date of service and the date that the encounter is received;
 - (1) RBHAs must provide specific information for their providers on Timeliness standards.
 - ii. Correctness- A correct encounter contains a complete and accurate description of a covered behavioral health service provided to a person. Correctness errors frequently identified include, but are not limited to, invalid procedure or revenue codes and ICD-9 diagnoses not reported to the correct level of specificity; and
 - iii. Omission- Provider documentation shows a service was provided, however, an encounter was not submitted.
 - iv. Lack of Documentation- A description of adequate documentation is referenced in: [Policy 802, Behavioral Health Medical Record Standards](#), section titled, “Adequacy and availability of documentation.”
- b. In addition, assessment compliance must be monitored by the RBHA in accordance with Section 3.9, Assessment and Service Planning.
- c. Providers must deliver covered services in accordance with the [ADHS/DBHS Covered Behavioral Health Services Guide](#). Providers must document adequate information in

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the clinical record and submit encounters in accordance with Policy 501, Submitting Claims and Encounters. Any data validation findings that indicate suspected fraud and/or program abuse must be reported to the DBHS Bureau of Corporate Compliance and the AHCCCS Office of Inspector General as required. A determination of overpayment as the result of a data validation study will result in a recovery of the related funds/voiding of related encounters as required, pursuant to the Affordable Care Act.

- i. RBHAS must have RBHA specific Fraud and Abuse Reporting information and must make it available to the RBHA providers.
- d. RBHAs are required to report the data validation findings to the provider.
- e. AHCCCS performs periodic data validation studies. All AHCCCS contractors and subcontractors are contractually required to participate in this process. In addition, the data validation studies enable AHCCCS to monitor and improve the quality of encounter data. Information regarding AHCCCS Encounter Data Validation Study procedures can be found in the [Office of Program Support Operations and Procedures Manual](#).

3. REFERENCES:

[AHCCCS/ADHS Contract](#)
[ADHS/RBHA Contracts](#)
[Policy 105, Assessment and Service Planning](#)
[Policy 201, Covered Services](#)
[Policy 501, Submitting Claims and Encounters](#)
[Policy 802, Behavioral Health Medical Record Standards](#)
[Policy 1502, Corporate Compliance](#)
[ADHS/DBHS Covered Behavioral Health Services Guide](#)
[Office of Program Support Operations and Procedures Manual](#)
[The Affordable Care Act, Title VI. Transparency and Program Integrity](#)