

## **Medicare Recovery Audit Contractor – Coming Soon**

Protest over the Medicare Recovery Audit program was resolved on February 4, 2009 the parties involved in the protest of the award of the Recovery Audit Contractor (RAC) contracts settled the protests. The settlement means that the stop work order has been lifted and CMS will now continue with the implementation of the RAC program. The national rollout of the recovery audit contractor (RAC) program began March 1<sup>st</sup>, while several contractors have been named there has been no information for Washington State. It is expected that more information for out state will be announced in the second phase expected August 1, 2009.

Several states have begun communication with their RAC contractors as of April and May. Under this program RACs will be responsible for identifying overpayment and underpayments. RACs may attempt to identify improper payments resulting from incorrect payments, non-covered services (including services that are not reasonable and necessary), incorrectly coded services, and duplicate services. Be aware that RACs will provide outreach in areas before they begin auditing services, however a Recovery Audit Contractor (RAC), can make a finding that an overpayment or underpayment exists without requesting medical records.

In August 2008, an article regarding RACs ran in the WSMA Reports providing a preliminary look at how these programs work. As these programs move forward the WSMA will provide information and updates to assist your medical practice. As part of our Advocacy efforts we ask practices to share with us their experiences with audit request, problematic claims issues, and other practice management issues.

For more information regarding RACs or any of our resources please contact Bob Perna, FACMPE at 206.441.9762 or [rjp@wsma.org](mailto:rjp@wsma.org).