



RECOVERY AUDIT CONTRACTORS (RACs) - Physician Impact - April 16, 2009

As the first states come under the RAC Permanent Program, questions have begun to arise concerning the impact on the Physician Community. Below are a few questions from the CMS Website regarding the Physician Impact of the RAC initiative:

1) Will the RAC initiative impact the physician providers within the region?

YES - The RACs will be given all Medicare claims that are billed to the fee for service Medicare Program. The only exclusions will be Medicare HMO and Prescription Drug Benefit Program.

2) Will the RACs review Evaluation and Management (E/M) services on physician claims under Part B?

YES - The review of all E&M services will be allowed under the RAC Permanent Program. The review of duplicate claims or E & M services that should be included in a global surgery were available for review during the RAC demonstration and will continue to be available for review. The review of the level of the visit of some E & M services was not included in the RAC demonstration. CMS will work closely with the American Medical Association and the physician community prior to any reviews being completed regarding the level of the visit and will provide notice to the physician community before the RACs are allowed to begin reviews of evaluation and management (E & M) services and the level of the visit.

3) How long does a provider have to submit health records when requested by a RAC?

Providers must respond **within 45 days to a RAC request for health records**. Providers may request an extension at any time prior to the 45th day by contacting the RAC.

TIPS as you prepare for the RAC Permanent Program:

- 1) Visit the CMS RAC website to determine when your region will begin the Permanent Program.
- 2) Know who your RAC contractor is within your region.
- 3) Designate a RAC leader or coordinator within your organization.
- 4) Attend the RAC Provider Outreach Sessions in your area.
- 5) Educate applicable staff on the RAC initiative and processes.
- 6) Implement a RAC tracking system. –**Contact CCI for a personal demo of our RAC database-RxRAC.**
- 7) Respond to the record requests timely to avoid denials of the entire claim.
- 8) Appeal your denials-don't settle for the denial if you feel you are correct.
- 9) **Contact CCI for all of your RAC needs!**

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