

ARMED & RAC'D—PHYSICIAN PRACTICES

Is your Practice Prepared for CMS' National Recovery Audit Program—RAC? If your Practice Receives Medicare Reimbursements, this Means YOU!

Nationwide, healthcare providers in only a few states have experienced the financial impact of the RAC program but as of October 6, 2008, ALL PROVIDERS WILL ... Is your PRACTICE prepared for a RAC audit?

Since 1996, the Centers for Medicare & Medicaid Services (CMS) has implemented several initiatives to prevent improper payments before a claim is processed and to identify and recoup improper payments after the claim has been processed. The overall goal of CMS' claim review programs are to reduce payment error by identifying and addressing billing errors concerning coverage and coding made by providers.

As a result, CMS developed the Recovery Audit Contractor (RAC) demonstration program to determine whether the use of RACs is a cost-effective means of ensuring that correct payments are being made to providers and suppliers in the Medicare Fee-For-Service Program. This demonstration began in March 2005 and after a very successful initiative, was implemented permanently October 6, 2008.

The RAC program not only gives CMS a new mechanism for identifying past improper payments, but also gives CMS a valuable new tool for preventing future overpayments as it transitions from a demonstration into a nationwide program.

CMS pays each RAC on a contingency fee basis; that is, CMS pays the RACs a percentage of the overpayments and underpayments the RACs detect and correct. The initial RAC demonstration project that spanned over six states collected more than \$900 million in overpayments and returned nearly \$38 million in underpayments to healthcare providers.

For those as yet unfamiliar with the RAC process, here's a quick look at how it works... RACs perform two types of reviews: Automatic and Complex Medical Reviews.

An Automatic Review is a computerized analysis of claims and coding practices. By contrast, in a Complex Medical Review, auditing personnel study the actual medical records or other documentation to see if the claim meets medical necessity and other criterion. In either case, the objective is to uncover overpayments to the providers and alert CMS for reimbursement.

In order to increase your cash flow, reduce denials and curtail RAC audits, your organization needs an effective process for preventing them from occurring in the first place. MedHelp, Inc. offers RAC-Risk Analysis and medical billing solutions for your practice management needs. We work with specialty practices to increase cash flow and minimize RAC exposure by identifying potential risk areas to limit RAC audits.

MedHelp's in-depth analysis of the high vulnerabilities identified thru the CMS-RAC program can help you achieve financial success in your practice. Call us today at 443 524-4455 to schedule a brief-get-acquainted meeting to see how MedHelp, Inc. can make a difference to your practice's bottom line!

Sincerely,



Tory Smith, Director, Sales & Marketing
MedHelp, Inc.