

**NATIONAL HEALTHCARE
COMPLIANCE
AUDIOCONFERENCE**

**UPDATE ON CMS ROLLOUT OF
MEDICARE RECOVERY AUDIT
CONTRACTOR (RAC)**

THE NEW YORK STATE EXPERIENCE

October 22, 2008

The New York Experiences

- As New York State was one of the first three states to be included in the RAC demo. There were plenty of lessons learned to prepare for the permanent RAC.
 - Establish an internal RAC Team
 - Be able to track all RAC activities
 - Get to the root cause of your denials
 - Rely on your hospital association for guidance

New York Experiences

- What were the area of Major Exposure?
 - Inpatient
 - Coding issues that lead to DRG downgrading
 - Medical necessity denials/site of service
 - One day surgical admissions
 - One day ED admissions
 - Complicated appeals process
 - Waiting for the FI/MAC to take back payment before appeal can be submitted
 - Outpatient
 - Units of service exceeding limits
 - Incorrect HCPC codes on claim
 - Multiple procedures on same day (units of service issue)

New York Experiences

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New York Experiences

- Administrative Burden on Providers
 - Lack of electronic platform between contractor and provider, means it's a “paper” nightmare.
- GNYHA assisted in developing a RAC Liaison contact data base for the contractor
- GNYHA developed an Access RAC Tool
 - Helped providers track claims over the timeline
- Hospitals continue to struggle with
 - Inpatient coding issues
 - One day inpatient stays both surgical and ED admits
 - Outpatient billing guidelines