Monitoring RAC Activity

RACTrac

www.aharactrac.org

Coming This Fall

Caroline Steinberg

Second National Medicare RAC Summit

September 14, 2009

American Hospital Association

RAC Demo Findings

RAC Impact: March 2006 to March 2008

Overpayments Collected: **$992.7 m**

Less Underpayments Repaid: ($37 m)

Less $ Overturned on Appeals: ($14.0 m)

Less RRC/IRF Reviews: ($14.0 m)

Less Costs of RAC Demo: - ($201.3 m)

Outcome Still Unknown

BACK TO TRUST FUNDS → **$693.6 m***

*Chart does not account for many pending appeals.

95% from Hospitals

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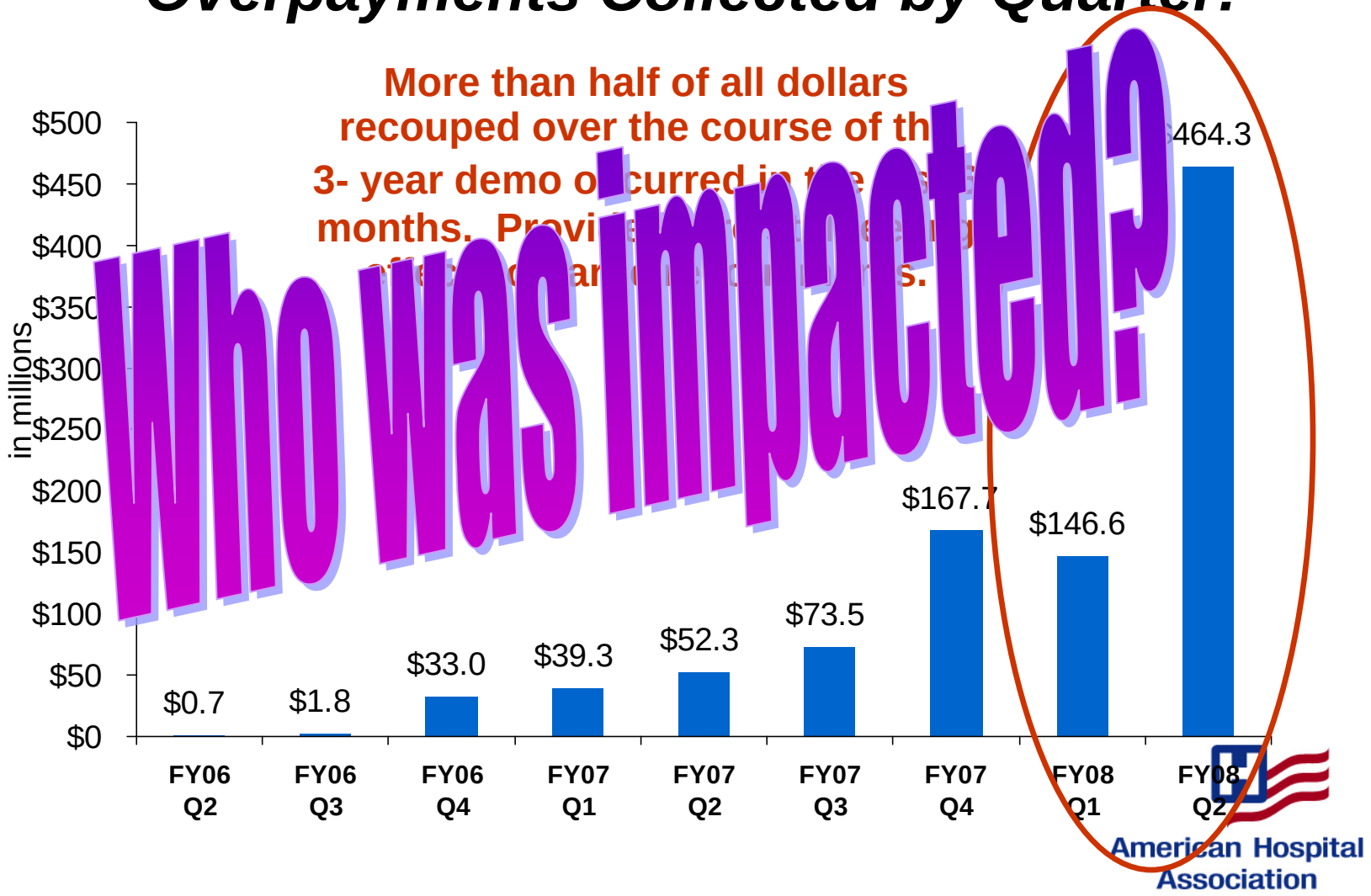
RAC Impact on Hospitals

Overpayments Collected by Quarter:



Source: CMS, The Medicare Recovery Audit Contractor Program: An Evaluation of the 3-Year Demonstration, June 2008

RAC Demo Findings

RAC Appeals Experience to Date

	July 2008 Data thru 3-31-08	September 2008 Data thru 6-30-08	January 2009 Data thru 8.31.08
Total RAC Denials	525,133	525,133	525,133
Overall Appeal Rate	1.0%	1.9%	2.5%
Overturned Appeals	3.3%	34.2%	44.0%
Overall Reversal Rate	6%	6.8%	7.6%

Source: CMS Publication Appeals Numbers – www.cms.hhs.gov/rac

What is the dollar value?

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AHA's RACTrac Goals

- **Fill information gap**
- **Tell *Hospital* story on RACs**
  - To CMS
  - To Congress
  - To MedPAC
- **Identify RAC trends**
- **Minimize hospitals' financial risk, identify areas for improvement and help survive RACs**
- **Promote inter-operability between private tracking tools and *RACTrac***

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What is AHA *RAC*Trac?

- **Web-based Survey** to Collect RAC Experience Data from Hospitals
- Unit of analysis is the hospital
    - General Medical/Surgical Hospitals including Critical Access Hospitals
    - LTCH
    - Psych
    - Rehab
- Quarterly data collection
    - Automated Denials
    - Complex Denials
    - Underpayments
    - Appeals
    - Administrative burden
- Collect both quarterly snapshot and cumulative information on RAC experience to date

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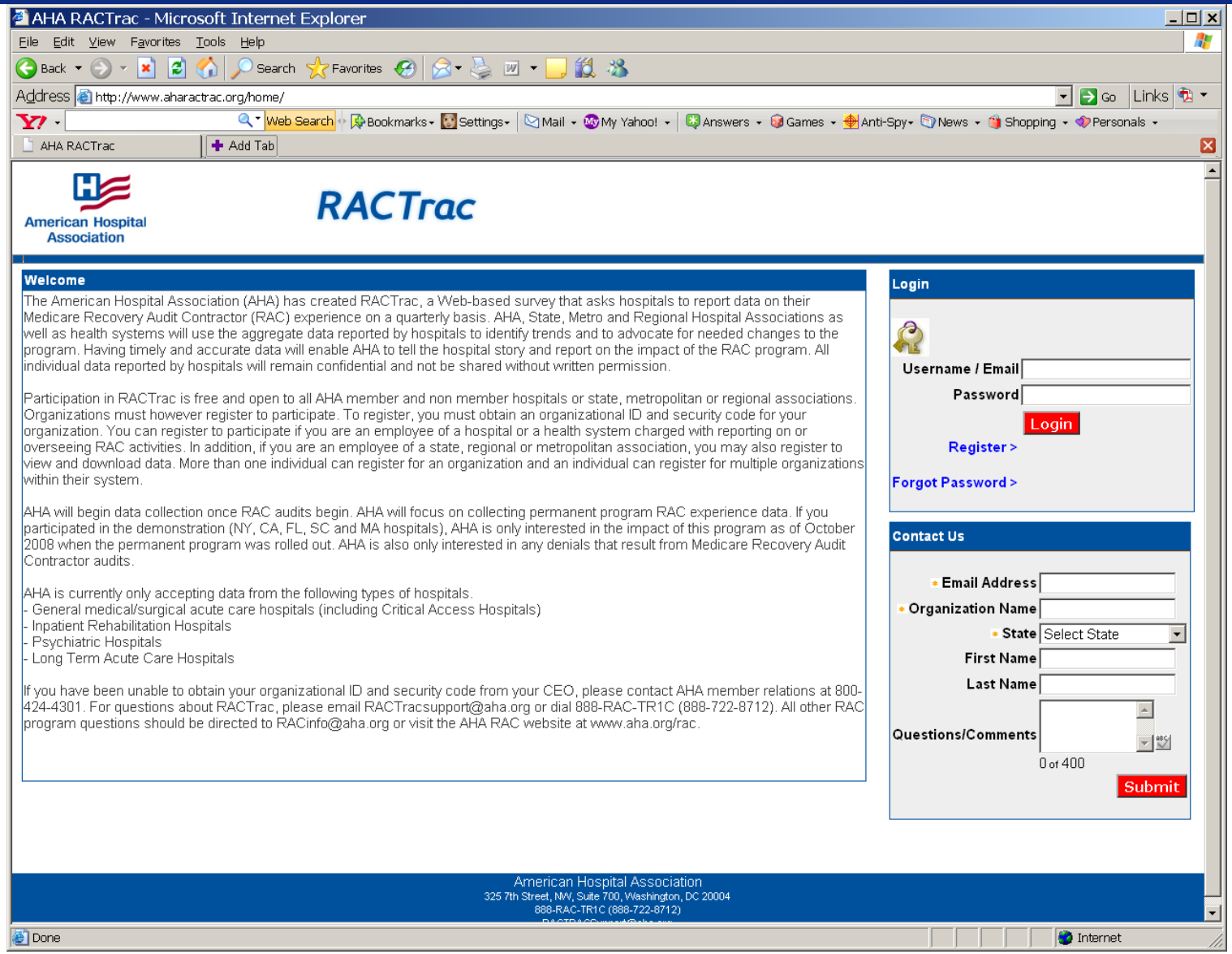

AHARACTrac.org – a web- based survey will go live later this fall.

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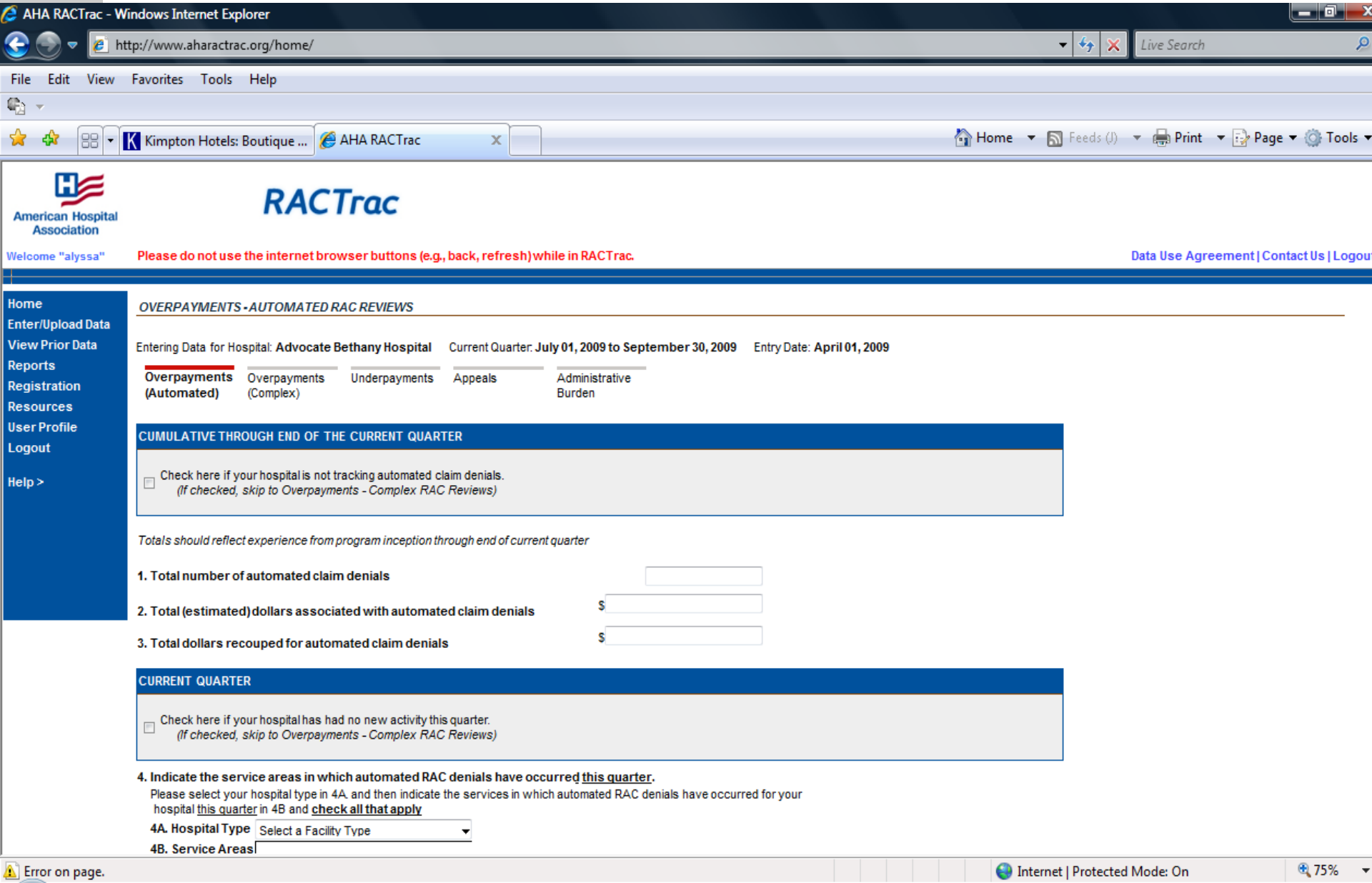
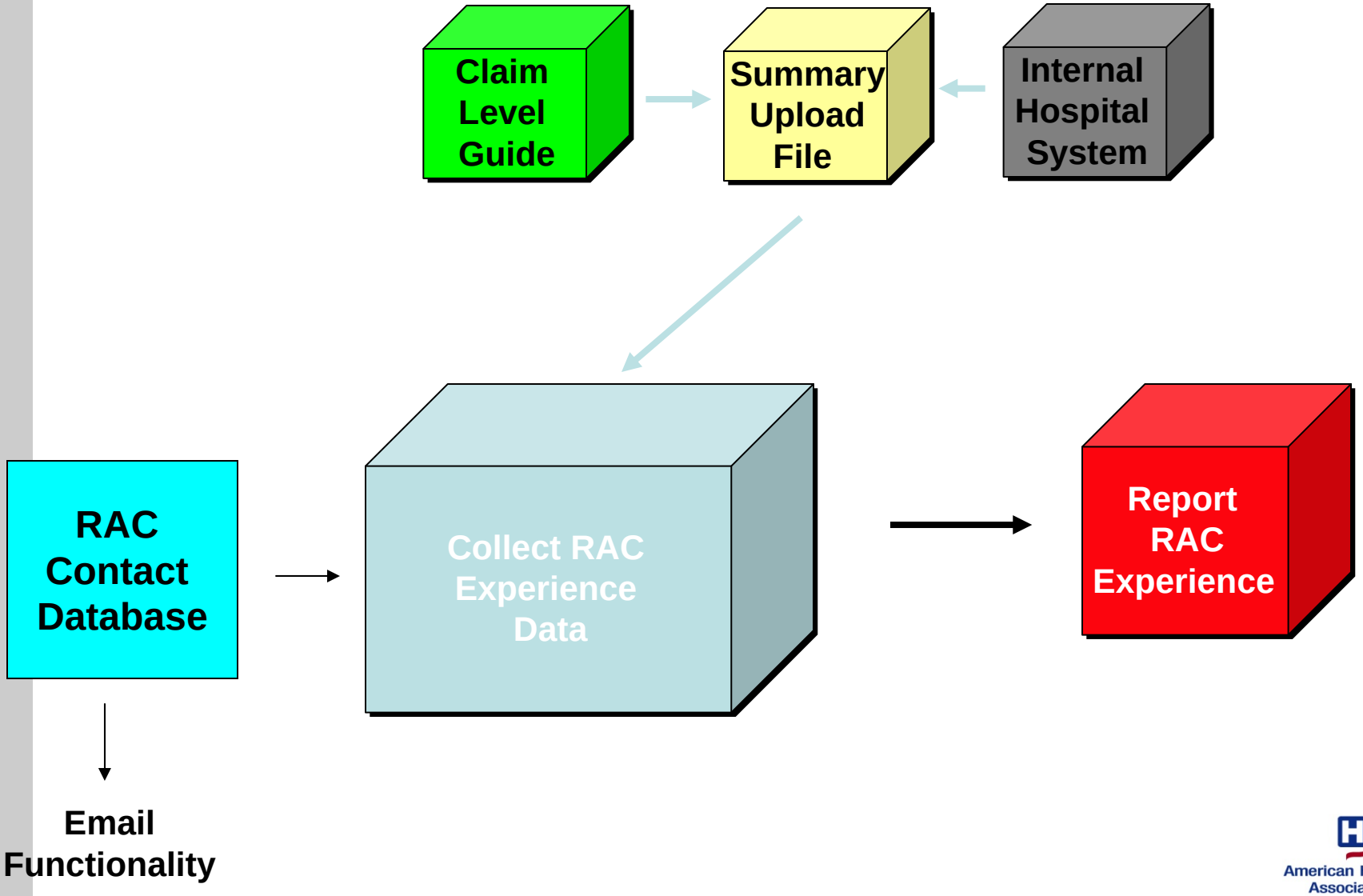
Enter Data Online



RACTrac Functionality



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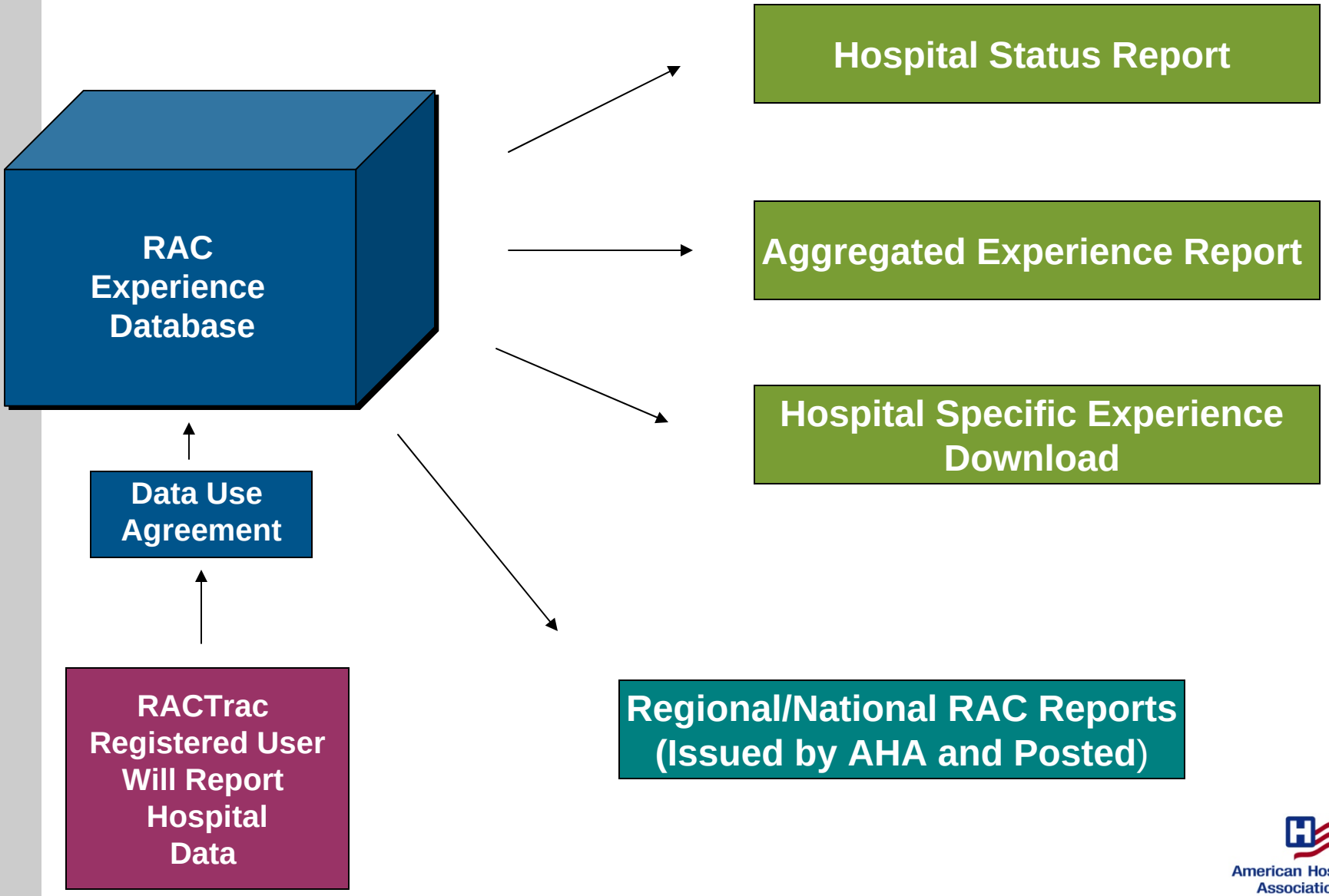
Tools for Systems and State, Regional and Metro Association Users



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Data Available in Each Report

Hospital Status Report	A CSV downloadable file with the current “status” of hospitals within your state. Variables included but not limited to, Registered User Name, RAC Activity Y or N, Start date of Activity, Reported data for current quarter Y or N etc.
Aggregated Experience Report	Aggregated summary of the RAC experience activity to of reporting hospitals in your state. Hospital Filter Available (Viewable and downloadable into CSV)
Hospital Specific Experience Download	A CSV downloadable file of hospital specific RAC experience data for reporting hospitals. This data can be used for your own data analysis.
Regional/National RAC Reports (Issued by AHA and Posted)	When appropriate, AHA will aggregate data by RAC Region and at the national level and release it to the field for advocacy purposes. Additional findings from the data will also be released for educational purposes and posted to RACTrac when appropriate. (e.g. Trends in reasons for denials)

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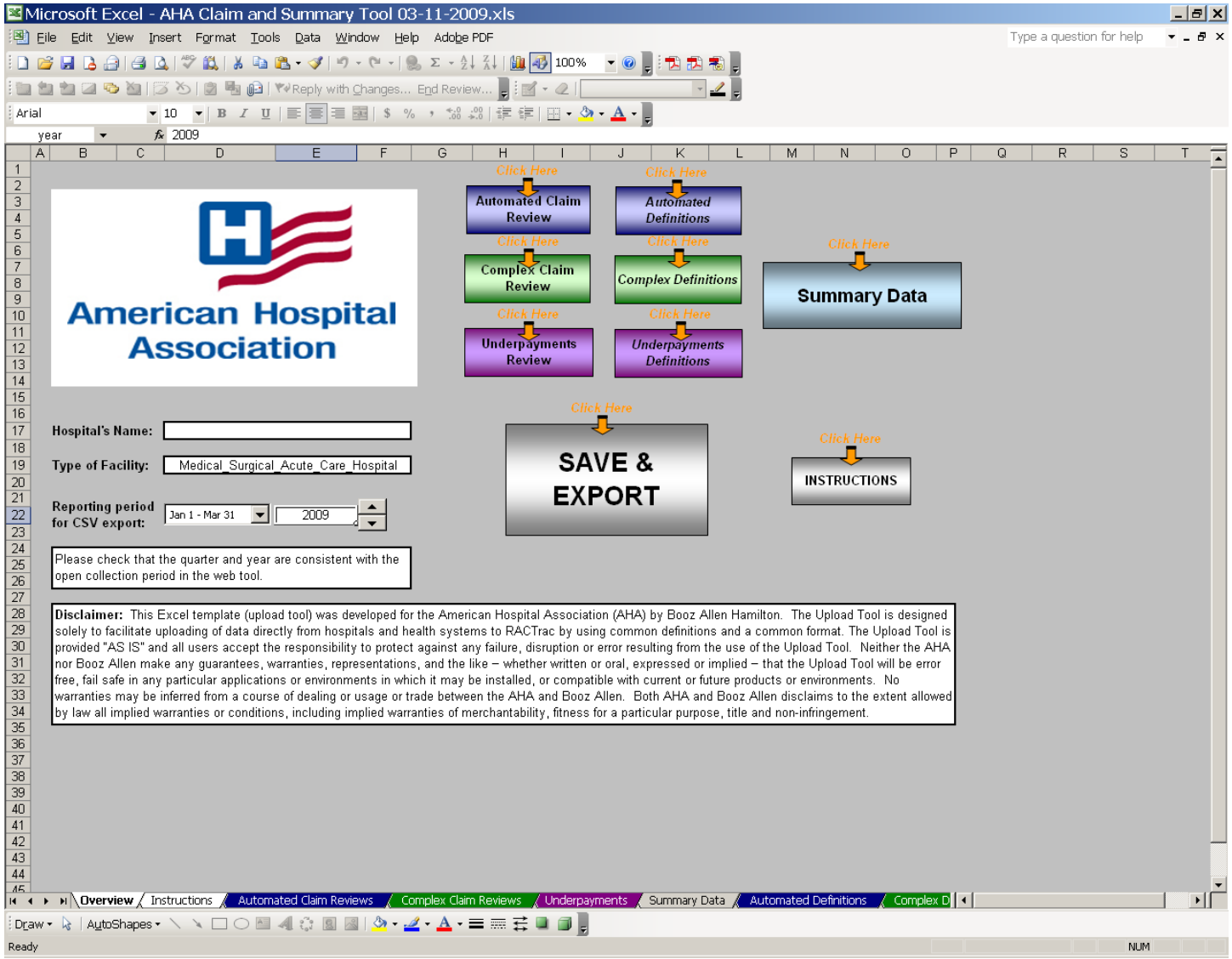
Free Claim Management Tool



Available at www.aha.org/rac under RACTrac this spring

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Claim Management Tool

- **Many hospitals in the demo used Excel**
- **An Excel Template to get you started in tracking:**
  - Automated denials
  - Medical record requests and denials
  - Underpayments
  - Appeals
- **Its FREE and available to all hospitals (members and non members)**
- **Check it out at www.aha.org/rac under RACTrac**
- **This tool will organize your data to report into RACTrac. (Summary Report and CSV File)**

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RACTrac Compatible Vendors

- **AHA working with vendors willing to make their RAC audit tracking tools RACTrac "compatible."**
- **A RACTrac compatible vendor tool will aggregate data for RACTrac**
  - Create file that can be uploaded directly into RACTrac
  - OR create report to assist in data entry
- **Ask your vendor – Is your tool AHA RACTrac "compatible?"**
- **See the current vendor list at www.aha.org/rac under RACTrac. The list is updated periodically.**

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Why AHA RACTrac?

- ✓ **Internally tracking is essential for minimizing financial risk, identifying areas for improvement and surviving the RACs.**
  - *A claim management tool* will help you organize your data
- ✓ **Data on the impact of the RACs is essential for successful advocacy.**
- ✓ **Data on national and regional trends in reasons for denials can be used to educate the field.**
- ✓ **RACTrac is FREE and available to hospitals that would like to provide data regardless of membership**

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Get Ready

- **AHA will start requesting data from hospitals in fall 2009.**
- **Look for resources at www.aha.org/rac under RACTrac**

Questions??

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