

Part B Insider (Multispecialty) Coding Alert

Physician Notes: Look for RAC Demand Letters Directly From Your MAC

Plus: Physician + Ministers + Supplier = Medicare Fraud?

You've been waiting for years to hear the good news that recovery audit contractors (RACs) will cease sending demand letters to providers, and that time has finally come--with a catch. Although RACs will no longer send out demand letters, CMS has simply transferred the responsibility of that task to processing contractors.

"When a recovery auditor finds that improper payments have been made to you, they will submit claim adjustments to your Medicare (claims processing) contractor," CMS says in new MLN Matters article MM7436. "The Medicare contractor will follow the same process as is used to recover any other overpayment from you."

Once you get word from your MAC that it is seeking RAC monies, you'll stay in touch with the MAC regarding any issues about time frames and appeals. However, if you have audit-specific questions "such as the rationale for identifying the potential improper payment," you'll contact the recovery auditor personally, CMS notes.

For more information about this change, visit www.cms.gov/MLNMattersArticles/Downloads/MM7436.pdf.