

## Part B Insider (Multispecialty) Coding Alert

### Physician Notes: RACs Hauled in \$162 Million in Overpayments in First Quarter of 2011

**Plus: CMS paid out over \$380 million in PQRS and ePrescribing incentives in 2009.**

You may not be in the sights of your local recovery audit contractor (RAC), but that doesn't mean the RACs aren't hard at work. A new CMS report reveals the results of RACs nationwide, and the numbers are surprising. During fiscal year 2010 (Oct. 2009 through Sept. 2010), RACs collected \$75.4 million from practices that were overpaid by their Medicare contractors--but that number pales in comparison to the amount the RACs collected just in the first three months of 2011. Between January and March of this year, the RACs collected \$162 million in overpayments.

The good news: Despite their reputation as "bounty hunters," the RACs do appear to be returning money to practices that were underpaid. During the first quarter of 2011, the RACs returned \$22.6 million to practices. All told, they found \$184.6 million in incorrect Medicare payments during the first three months of this year.

Example: The CMS report reveals several of the overpayment errors that the RACs discovered. For instance, Region A RAC (Diversified Collection Services) found that practices were improperly adding the number of ventilation hours that practitioners billed, resulting in higher reimbursement. The RAC reminds practices that "ventilation hours begin with the intubation of the patient (or time of admittance if the patient is admitted while on mechanical ventilation) and continue until the endotracheal tube is removed, the patient is discharged/ transferred, or the ventilation is discontinued after a weaning period."

To read the complete CMS report, visit [www.cms.gov/RAC/Downloads/FFSNewsletter.pdf](http://www.cms.gov/RAC/Downloads/FFSNewsletter.pdf).