

Part B Insider (Multispecialty) Coding Alert

PSC Background

The Health Insurance Portability and Accountability Act of 1996 created the Medicare Integrity Program to reduce fraud and abuse in Medicare and gave CMS the authority to contract with entities to battle fraud. The new contractors, called Program Safeguard Contractors, work with the Part B carriers. They do things like medical review, data analysis, provider education and fraud detection.

CMS has named 12 PSCs with national and local responsibilities. Several of them also operate as Part B carriers, including Cahaba GBA, Mutual of Omaha, and Tricenturion, a joint venture that includes Palmetto GBA and Trailblazer Health Enterprises. According to the Regence of Utah Web site, at least one PSC, Computer Sciences Corp., only started its work as recently as July 2003. "Using the PSCs to creatively partner with traditional Medicare contractors is a win-win situation for all involved," Regence states.

In the case of Utah, Regence says it's working closely with CSC to avoid disruptions to providers as CSC takes on some of the fraud-fighting functions. It's up to CMS to make sure the two contractors coordinate properly, Regence adds. CMS has required both parties to enter into a Joint Operating Agreement delineating each party's roles and responsibilities.