

Part B Insider (Multispecialty) Coding Alert

RACs May Soon Have Incentive To Find Underpayments

The so-called "bounty hunters" of health care may soon have a financial incentive to help you recover underpayments.

During the **Centers for Medicare & Medicaid Services'** Nov. 18 special Open Door Forum on the recovery audit contract (RAC) demonstration project, CMS official **Jerry Walker** said CMS is exploring ways to give recovery auditors financial incentives for identifying underpayments. The auditors receive a fee based on the percentage of overpayments they recover, but there is currently no financial incentive for finding underpayments.

The RAC initiative is a three-year-long demonstration project that began earlier this year in California, Florida and New York for physicians as well as hospitals.