

Eli's Hospice Insider

Audits: Say Hello To Your New Hospice Recovery Audit Contractor

RACs must meet new overturn cap.

If you get hit by Recovery Audit Contractor review, it at least may go more smoothly. The **Centers for Medicare & Medicaid Services** has granted a new contract to have one RAC for home health, hospice and DME issues, it says on its website.

"CMS has awarded the Region 5 Recovery Audit contract to **Connolly, LLC**," CMS said Dec. 30. "The purpose of this contract will be to support [CMS] in completing this mission through the identification and correction of improper payments for durable medical equipment, prosthetics, orthotics and supplies (DMEPOS), and home health/hospice (HH/H) claims."

The RAC will review claims and work with CMS and the MACs to adjust claims to recoup overpayments and pay underpayments, CMS explains.

Plus: "This award marks the beginning of the new Recovery Audit contracts and is the start date of the implementation of many improvements to reduce provider burden and increase transparency in the program," CMS adds.

Pro: Those changes include requiring RACs to have a 10 percent or less overturn rate on appeal, CMS says on its site.

Con: CMS also pledges that RACs will focus on more than just hospital inpatient claims. That could mean more review of hospice claims.

These changes, plus the appointment of a RAC provider relations coordinator which CMS announced last summer, should help providers with their RAC-related issues, expects financial consultant **Tom Boyd** with **Simione Consulting** in Rohnert Park, Calif.

Note: See a list of the other RAC program changes online at www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Recovery-Audit-Program/Downloads/RAC-Program-Improvements.pdf.