

MDS Alert

TEST YOURSELF: RAC READINESS

1. The RACs are responsible for auditing which of the following (select one correct answer):

- A. All types of Medicare claims, including those involving Part A, B, C (managed care), and Part D (pharmacy)
- B. Medicare Part A and Part B fee-for-service claims only
- C. Medicare Part A and Part B and some Medicaid (where there is crossover between the two payers)
- D. Medicare Part A and Part B and some third-party claims in states with Stark laws

Answer: B

True or False:

2. The RACs perform automated reviews that involve data-mining and also complex reviews where they request a provider's medical records.

(True)

3. The RACs can request up to 200 records from a SNF at a time regardless of the SNF's census. **(False)** "Under complex review, the RACs can ask [the SNF] for a medical record sample that's 10 percent of its average claims volume every 45 days," says **Victor Kintz, MBA, CHC, LNHA, RAC-CT, CCA**, managing director of operations for The Polaris Group based in Tampa, Fla.

The RACs "can request up to 200 claims but few SNFs are ever going to reach the 200 claims threshold."

4. The RACs focus primarily on detecting fraud and abuse, and work more closely with the Office of Inspector General than any other auditors. **(False)** RACs are paid on a contingency basis for their recoupments and thus are known as "bounty hunters." They could, however, refer potential fraud and abuse concerns on, as can MACs.

5. If a claim has already been reviewed by the MAC or another government auditor, the RAC can still audit it. **(False)** "All fee-for-service claims are subject to RAC review unless they are already being reviewed by another entity (such as an FI or MAC)," according to a presentation, "A Proactive Approach to a Recovery Audit Contractor Process," at the American Association of Homes & Services for the Aging's annual meeting in November.

"The RAC will not be allowed to review a claim that has already been or is currently under review by another entity," states the American Academy of Family Physicians on its Web site:

www.aafp.org/online/en/home/practicemgt/codingresources/recoveryauditcontractors/doracsreplaceothercontractors.html.