

OASIS Alert

Industry notes: RAC Audits Will Impact Medicaid Claims Jan. 1, CMS Says

You've benefited from several delays to Medicaid RAC audits, but Jan. 1 will be a day of reckoning when those audits kick in.

Recovery Audit Contractors will be reviewing Medicaid claims soon, thanks to last year's Patient Protection and Affordable Care Act. Although RAC audits were originally slated to impact Medicaid claims on April 1, 2011, the **Centers for Medicare & Medicaid Services** delayed that date.

Finally on Sept. 14, CMS posted a final rule in the Federal Register indicating the audits will begin on Jan. 1, 2012. Medicaid RACs may be more inclined to review home care claims than the Medicare RACs, experts speculate.

The government projects that RAC audits could save Medicaid more than \$2 billion between 2012 and 2017, and a portion of those savings will go back to the states. "If we're going to spurt jobs and economic growth and restore long-term fiscal solvency, we need to make sure hard-earned tax dollars don't go to waste," Vice President **Joe Biden** said in a Sept. 14 news release.

The Federal Register notice is at www.ofr.gov/OFRUpload/OFRData/2011-23695_PI.pdf.