



RACs in Oregon

Where we have been and how to move forward



In the beginning...

- Oregon Medicare RACs begin 12.2009
- Medical Necessity audits begin early 2011
- Medicaid RACs begin summer 2012



Oregon's battle with RAC processes

- Facilities not receiving mail
- Providers unable to track audits, record receipts and determinations
- Established timeframes not being followed
 - This made discussions ineffective and appeal timeframes difficult.

RAC Numbers to Date



Medicare Fee-for-Service Recovery Audit Program April 2013

Recovery Audit National Program

	FY 2010 Oct 2009-Sept 2010	FY 2011 Oct 2010- Sept 2011	FY 2012 Oct 2011- Sept 2012	FY 2013 Oct 2012- March 2013	Total National Program
Overpayments Collected	\$75.4M	\$797.4M	\$2,291.3M	\$1,371.3M	\$4.5B



What else is going on?

- CERT
- PERM
- State Medicaid
- Medicaid RACs
- Medicare Advantage
- OIG inquiries
- MAC audits
- Private insurance
- And more...



So, what should you be
doing now?



Evaluate your offset strategy

- Are you paying interest currently?
- What is your appeal success rate? If it is high, do you want to allow day 41 recoupments?
- Do you have automated offsets established with your MAC or are you doing these individually?



Look at your appeal expenses

- What is the cost if you are re-releasing records from step 1?
- What are you paying for external assistance with appeals?
 - Volume and duplication
- Would it be wiser or more cost-effective to bring your appeal expertise in-house?
- Have you looked at your timeframes with the new Part B rebilling rules in mind?



Look at your workflows and involvement

- Who is involved with the workflows?
- Do the right people do the day-to-day operational work?
- Can steps be eliminated now that staff are familiar with the processes?
- Are workflows documented for new staff and process improvement?



Workflows and involvement

- Where are there gaps or frequent problems?
- Who is doing your data entry?
- Are processes in the right department?
 - Compliance, Revenue Cycle, Care Management, Finance
- What is your steering committee doing?



Education and Mitigation

- Are the right people getting the right data?
 - Are there resources available to report on trends?
 - Are you tracking codes and the operational reasons for denials?
- How often are you educating?
- Who are you educating?



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