



# BRUNER-COX LLP

Business Consultants & Certified Public Accountants

## The Ohio Recovery Audit Contractor Expertise

Bruner-Cox LLP has the professional expertise to assist healthcare entities with the Ohio RAC program. For more information or to schedule a meeting, contact Ken Douglas, CPA, Healthcare Services Partner at 330.706.6110 or [ken.douglas@brunercoc.com](mailto:ken.douglas@brunercoc.com).

**For more information on Bruner-Cox LLP's Healthcare Services visit: [www.brunercoc.com](http://www.brunercoc.com)**

***Our knowledge. Your solution.***

The Ohio Recovery Audit Contractor (RAC) program is a Medicare auditing program that utilizes private firms to examine physician, hospital, nursing home and other claims to locate where the government has overpaid or underpaid providers. The Center for Medicare and Medicaid Services intends to have four RAC firms in place with each one being responsible for identifying overpayments and underpayments. The firm must employ a minimum of one full-time M.D. or D.O. contracted medical director. These contractors are compensated by a percentage of the overpayments that is recovered from the providers.

The RAC program will begin in Ohio on August 1, 2009. It was originally launched in three test states, Florida, California and New York in March 2005. There is no current estimate on how much auditors will recover in Ohio, however, approximately \$1 billion improper Medicare payments were found in the three test states.

Once an overpayment has been found by RAC, the provider is notified of the overpayment and allowed 30 days to repay Medicare. A provider has the right to appeal the claim within 120 days after notification but the repayment amount is still due to Medicare even pending the appeals process. If the provider loses the appeal, they owe Medicare interest on the repayment for the time in excess of the 30 days.

### **Are you prepared for a RAC audit? Bruner-Cox LLP can help you:**

- Understand where improper payments have been found in past audits.
- Determine if you are submitting claims with improper payments by conducting an internal assessment to identify if your processes are in compliance with Medicare rules.
- Identify corrective actions to promote compliance.
- Respond to RAC medical record requests by providing a designated contact person and address to send correspondence.
- Follow-up on the status of your medical records to ensure RAC received the records.
- Appeal when necessary, the appeal process for RAC denials is the same as the appeal process for Carrier/FI/MAC denials.
- If you disagree with the RAC determination, file an appeal before the 120<sup>th</sup> day after the demand letter was issued.
- Learn from past experience to improve billing processes. Keep track of denied claims and look for patterns to determine what corrective actions need to take place to avoid future improper payments to Medicare.