HMS Federal Solutions
Region 4
Recovery Audit Contractor
Region 4 RAC Claim Reviews & Recovery Audit Process

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Agenda
- Meet HMS Federal – RAC Region 4
- Review Types Performed
- Additional Documentation Requests
- Approved New Issues
- Discussion Process
- Provider Portal Overview
- HMS Contact Information
- Open Q&A
HMS Federal RAC Region

- The RAC Program’s mission is to reduce Medicare improper payments through the efficient detection and correction of improper payments.
- HDI was the RAC for Region D
- HDI was acquired by HMS in December of 2011
- HMS Federal was awarded the Region 4 RAC Contract on October 31st, 2016
- HMS Federal is a fully owned subsidiary of HMS

HMS Federal's RAC team includes highly qualified individuals that come together to provide you with the best service possible
- More than nine years of experience with the Medicare Recovery Audit Program
- A complex review team with expertise in Medicare payment rules and regulations for all provider and claims types
- Dedicated Account Management and Provider Services teams have relevant Medicare claims or billing experience to ensure top quality processes and customer service

Medicare Fee for Service RAC Regions – HMS Federal Region 4 RAC
### Review Types Performed

**RAC Review Types**

<table>
<thead>
<tr>
<th>Complex Reviews</th>
<th>Automated Reviews</th>
</tr>
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<tbody>
<tr>
<td>• Medical records required for claim determination</td>
<td>• System identified. Does not require review of medical documentation for claim determination</td>
</tr>
<tr>
<td>• Clinical review completed within 30 days of receipt</td>
<td>• Informational Letter is issued to the provider for notification of improper payment</td>
</tr>
<tr>
<td>• Medical Necessity determinations are made by Registered Nurses or Therapists</td>
<td>• Claims are held for 30 days from the date of the letter to allow the provider to request a discussion period</td>
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<tr>
<td>• Coding determinations are made by certified coders.</td>
<td>• Claim may be submitted to MAC for adjustment on day 31</td>
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<td>• Review Result letter is issued to provider for notification of review outcome</td>
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**Informational Letter**

The Centers for Medicare & Medicaid Services (CMS) has retained Direct Mail Solutions (DMS) to carry out the Recovery Audit Contractor (RAC) program in Region I. The RAC program is mandated by Congress and is a primary tool of CMS in identifying improper Medicare payments. Improper payments include overpayments and underpayments. Improper payments may result from a variety of causes, such as incorrect billing codes, noncompliance with Medicare conditions of participation, or billing for services that do not meet Medicare coverage and/or medical necessity criteria, etc.

Date

Address

Address Line 1

Address Line 2

Dear Medicare Provider,

The purpose of this letter is to notify you that your claim has been identified for review. Your claim may be reviewed for medical necessity, coding, or other criteria. If your claim is determined to be improper, appropriate action will be taken. If you have any questions or concerns, please contact your Medicare carrier.

Sincerely,

[Signature]

[Company Name]
**Additional Documentation Request (ADR)**

**Date:**
**Reference ID:**
**Provider:**
**Provider Name:**

Request Type & Purpose: Additional Documentation Required and Request for Medical Records

Dear Medicare Provider/Supplier,

The Centers for Medicare & Medicaid Services (CMS) continue efforts to reduce improper payments of Medicare funds. The Recovery Audit Program, mandated by Congress, has been developed to assist in accomplishing this goal.

**Institutional Provider (Facility) Limits:**
- New annual ADR limit baseline is one half of one percent (0.5%) of the provider’s total number of paid Medicare claims from a previous 12 month period.
- After three (3) 45-day ADR cycles, CMS will recalculate or recalculated a provider’s Denial Rate, which will then be used to identify a provider’s corresponding “Adjusted” ADR limit.

**Physician/Non-Physician Practitioner Limits:**
- The limits will be based on the servicing physician or non-physician practitioner’s billing Tax Identification Number (TIN), as well as the first three positions of the ZIP code where that physician or non-physician practitioner is physically located.
- ADR limits will be based on the number of individual rendering physicians or non-physician practitioners reported under each TIN/ZIP combination in the previous calendar year.

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**Additional Documentation Requests**

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**Additional Documentation Request Limits**

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### Medical Record Submission

**What are my options for sending medical records?**

- Part A Fax: (702) 240-5517
- Part B Fax: (702) 240-5510
- Postal Mail:
  - Images on CD/DVD or
  - Paper

### Medical Record Reimbursement

**Will I be reimbursed for the cost of producing medical records?**

- $.12 per page for reproduction of PPS provider records, plus first class postage.
- $.15 per page for reproduction of non-PPS institutions and practitioner records, plus first class postage.
- Providers (such as critical access hospitals) under a Medicare reimbursement system receive no photocopy reimbursement.
- The maximum amount per medical record will not exceed $25.00.

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**Region 4 Approved New Issues**
New Issue Concept Approvals

- All New Issues must receive CMS approval before the Recovery Auditor may begin initiating reviews; medical records will not be requested prior to CMS authorization.
- CMS may allow the RAC to request a sample of medical records when developing a test case for CMS to validate.
- Upon approval of the new issue concept CMS will notify the RAC if/when they may begin issuing ADR letters or any subsequent documentation on the new issue.
- HMS posts all approved new issues to the provider portal.

Automated New Issues

- Hospital Discharge Day Management Service
- Not a New Patient
- Office Visits Billed for Hospital Inpatient
- Visits to Patients in Swing Beds
- Inpatient Psych Billed without Source of Admission Equal to “D”
- Home Services Billed for Hospital Inpatients
- Global Surgery – Pre- and Post-operative Visits
- Excessive Units of Hospital Services
- Automated Cataracts Billed with Unit > 1 or Multiple Claims
- Drugs & Biologicals – Units exceed the only FDA approved dose
- Ibandronate sodium (Boniva), 1 mg - Excessive Frequency
- Trastuzumab (Herceptin), J9355 - Multi-Dose Vial Wastage Billed with JW modifier
- Regadenoson (Lexiscan) Billed With Units >4
- Zometa Billed with Units > 5

Complex New Issues

- Medical Necessity - Bariatric Surgery
- Medical Necessity - Cardiac PET Scans
- Medical Necessity - Sacral Neurostimulation
- Cataract Removal
- Inpatient Hospital MS-DRG Coding Validation
- Trastuzumab (Herceptin), J9355 - Multi-Dose Vial Wastage
- Complex SNF Review - Documentation and Medical Necessity

Additional information regarding approved new issues including Medicare Regulation references can be found on HMS’ website at: New Issues (https://racinfo.hms.com/)

Approved New Issues may be subject to change.
Discussion Period Process

- The Discussion Period begins with:
  - Automated Reviews – Informational Letter
  - Complex Reviews – Review Results Letter

- Discussion Period Process:
  - Submit completed Discussion Form and supporting documentation to HMS at:
    - Part A Fax: (702) 240-5595
    - Part B Fax: (702) 240-5510
  - Confirmation of receipt of discussion material will be posted to HMS Provider Portal within 1 business day
  - Discussion documentation is reviewed by a separate independent reviewer
  - Written discussion determination is sent to provider within 30 days and outcome is posted to the provider portal
  - Discussion Period requests received more than 30 days from the date of the informational or review results letter date will not be reviewed by the RAC

Peer-To-Peer Discussion Request

- Allows the opportunity for the rendering physician to discuss the review findings with the Contractor Medical Director (CMD)
- Peer-to-Peer discussion requests can also be submitted by a physician employed by the provider; requesting physician cannot be a consultant
- Submit completed Discussion Form and supporting documentation to HMS:
  - Part A Fax: (702) 240-5595
  - Part B Fax: (702) 240-5510
- Contact HMS Provider Services Department to schedule a peer-to-peer discussion
- Discussion Period requests received more than 30 days from the date of the informational or review results letter date will not be scheduled for a physician peer-to-peer discussion by the RAC
- Additional information including the Discussion Fax Form can be found on HMS’ website at Provider Information (https://racinfo.hms.com/).
The HMS Provider Portal allows providers to:

- Customize mailing address for ADRs and letters
- Review all approved new issues
- View overall ADR limit
- Track Additional Documentation Requests
- Confirm receipt of medical documentation
- Track the status and outcome of medical reviews
- Confirm receipt of discussion material and corresponding
- View discussion period information
- View appeal status
- Track claim closures
How can I customize my mailing address for Region 4 ADRs and correspondence?

- Existing customized contact information has been migrated to the new Region 4 portal
- New providers are initially required to complete the Knowledge Based Authentication (KBA) to obtain user credentials
- 2-Factor Authentication required for all established user login attempts
- Portal accepts up to 7 contacts per organization
- Portal User Guides can be found at: https://racinfo.hms.com/Public1/KnowledgeBasedAuthentication.aspx

HMS’ Provider Portal Sign In Page

Customized Contact Information Page
HMS Contact Information

HMS Provider Relations Area is the first line of Provider Communication

- Part A Toll Free Number: (877) 350-7992
- Part A Fax Number: (702) 240-5595
- Part B Toll Free Number: (877) 350-7993
- Part B Fax Number: (702) 240-5510
- E-mail Address: racinfo@hms.com
- Address: HMS Federal (HMS) 9275 West Russell Road, Suite 100 – MS 12M Las Vegas, NV 89148
- Hours of Operation: 8:00 AM – 4:30 PM (All Region 4 Time Zones)

CMS

- CMS Website: Recovery Audit Program Page
- CMS E-mail Address: RAC@cms.hhs.gov

CMS Website: Recovery Audit Program Page: https://www.cms.gov/recoveryaudits/RecoveryAuditProgram
Helpful Hints

What can I do to prepare for a RAC Audit?
- Customize contact information
- Review CMS Approved New Issues posted to the website
- Monitor the website for announcements and updates
- Fax discussion requests

Key Timeframes

As a reminder…
- Additional Documentation Requests (ADRs) are sent on a 45-day cycle
- Providers have 45 days to submit medical documentation
- Reviews are completed within 30 days of receipt of medical documentation
- Discussion Requests must be received no later than 30 days from the date of the letter
- Claims may be sent to the MAC for adjustment on day 31

Questions?