

# RAC News UPDATE

JANUARY 15, 2014

## **AHA urges CMS, Congress to address delay in RAC-related appeals**

AHA yesterday urged the Centers for Medicare & Medicaid Services to work with the Office of Medicare Hearings and Appeals to develop a lasting solution to a two-year backlog on Administrative Law Judge hearings being driven by inappropriate denials by Medicare Recovery Audit Contractors. “It is clear that the RAC program and the resulting volume of inappropriate claim denials are putting significant strain on the appeals process,” [wrote](#) AHA Executive Vice President Rick Pollack. “And hospitals are bearing the financial burden with over a billion dollars caught in a broken appeals process that takes several years to issue a final determination....Suspension of RAC audits until all levels of the determination and appeals process catch up with their current workloads would be the most straightforward solution, particularly since the next round of RAC contracts has not yet been finalized.” In a separate [letter](#), AHA urged the 177 congressional co-sponsors of the *Medicare Audit Improvement Act* (H.R. 1250/S. 1012) to encourage CMS to adopt the RAC reforms contained in the legislation and to stop recouping disputed funds until after the hospital has received an ALJ determination. AHA encourages its member hospitals to contact their legislators and use this issue to illustrate why RAC reform is needed.

## **Reminder: Register for Jan. 16 webinar on new RAC Analyzer tool**

Hospital staff are invited to attend a free Jan. 16 webinar on a new AHA online tool that allows hospitals to compare the impact of Medicare’s Recovery Audit Contractor program based on RAC region, bed size, ownership status and other variables. Participants will learn how to use the free *RACTrac* Analyzer with AHA’s existing *RACTrac* survey to create reports that compare their hospital’s RAC activity with those of similar hospitals. To register for the webinar, at 2 p.m. Eastern Time, [click here](#).