

American Hospital Association



RACTrac

Monitoring Recovery Audit Contractor Activity

May 6, 2009



**American Hospital
Association**

Webinar Objectives

- How to access the 'FREE' AHA claim level tool to track RAC activity within your facility.
- How to utilize the claim level tool to track automated and complex record reviews.
- What it means to be 'RACTrac-compatible' and why this is important to advocacy initiatives.
- How to utilize the claim level tool so as to easily participate in the AHA RACTrac survey initiative to collect RAC experience data for advocacy initiatives.



American Hospital
Association

Resources for Webinar

- AHA RACTrac Advisory available at www.aha.org/rac
- Webinar Slides for May 6
- Download and review RACTrac Claim level tool and instructions at www.aha.org/rac under RACTrac
- Review RACTrac Survey Questions

For Technical Assistance please contact:

RACTracsupport@providercs.com

or call 1-888-RAC-TR1C



American Hospital
Association

AHA MEMBER ADVISORIES



Member Advisory

April 20, 2009

MEDICARE RECOVERY AUDIT CONTRACTORS (RACs): PERMANENT PROGRAM BASICS

AT A GLANCE



Regulatory Advisory

March 27, 2009

THE MEDICARE APPEALS PROCESS

AT A GLANCE

The Issue:

The AHA anticipates a significant increase in audit activity by contractors for the Centers for Medicare & Medicaid Services in 2009 and beyond as a result of the transition of the hospital review function from Quality Improvement Organizations to contracted fiscal intermediaries and Medicare administrative contractors, and the rollout of the permanent Medicare Recovery Audit Contractor (RAC) program. Consequently, we expect increased Medicare claims denials for hospitals.

Hospitals and other providers are entitled to appeal the denial of a Medicare payment claim. However, filing an appeal requires knowledge of the complex, five-stage Medicare administrative appeals process, which recently was altered.

This advisory reviews the Medicare appeals process, including recent changes, and the distinct protocols for appealing payments denied by RACs. *This information is provided only as a guideline. Consult with your hospital leadership and legal counsel to determine the appropriate system for managing your organization's appeals.*

What You Can Do:

Share and discuss this advisory with your executive, medical and financial leaders, and legal counsel. Your RAC team should pay close attention to the special RAC section of this advisory, which highlights several unique processes for RAC appeals. You also may wish to participate in one of the upcoming AHA RAC Education Series calls during which appeals experts will review the contents of this advisory. Calls will be held on Wednesday, April 22, and Tuesday, May 12, at 1:00 p.m. EDT. To register for either call, visit http://www.surveymonkey.com/s.aspx?sm=zds4hx8C4bueqkKv3nbwq_3d_3d. For more information about the series, contact AHA Member Relations at (800) 424-4301.

Further Questions:

Please contact Rochelle Archuleta, senior associate director of policy, at (202) 626-2320 or rarchuleta@aha.org or Lawrence Hughes, AHA assistant general counsel, at (202) 626-2346 or hughes@aha.org.

AHA's Regulatory Advisories are produced whenever there are significant regulatory developments that affect the job you do in your community. A 17-page, in-depth examination of this issue follows.

AHA Member Advisories

- ✓ The Medicare Appeals Process
 - Free - Members Only Audio Conference Scheduled for May 12th
- ✓ RAC Permanent Program Basics
- ✓ RACTrac: Monitoring RAC Activity

Available at www.aha.org/rac

To become an AHA member, please contact AHA member relations at

1-800-424-4301



American Hospital
Association

Webinar Agenda

- What is RACTrac? Why is it Important?
- Brief Overview of RAC Correspondence
- Demonstrate the Claim Level Tool and Relationship to RACTrac Survey
- Review RACTrac Survey – www.aharactrac.org
 - Timing of Data Collection
 - Who will have access to my data
 - What to expect moving forward
- What does it mean to be RACTrac Compatible?



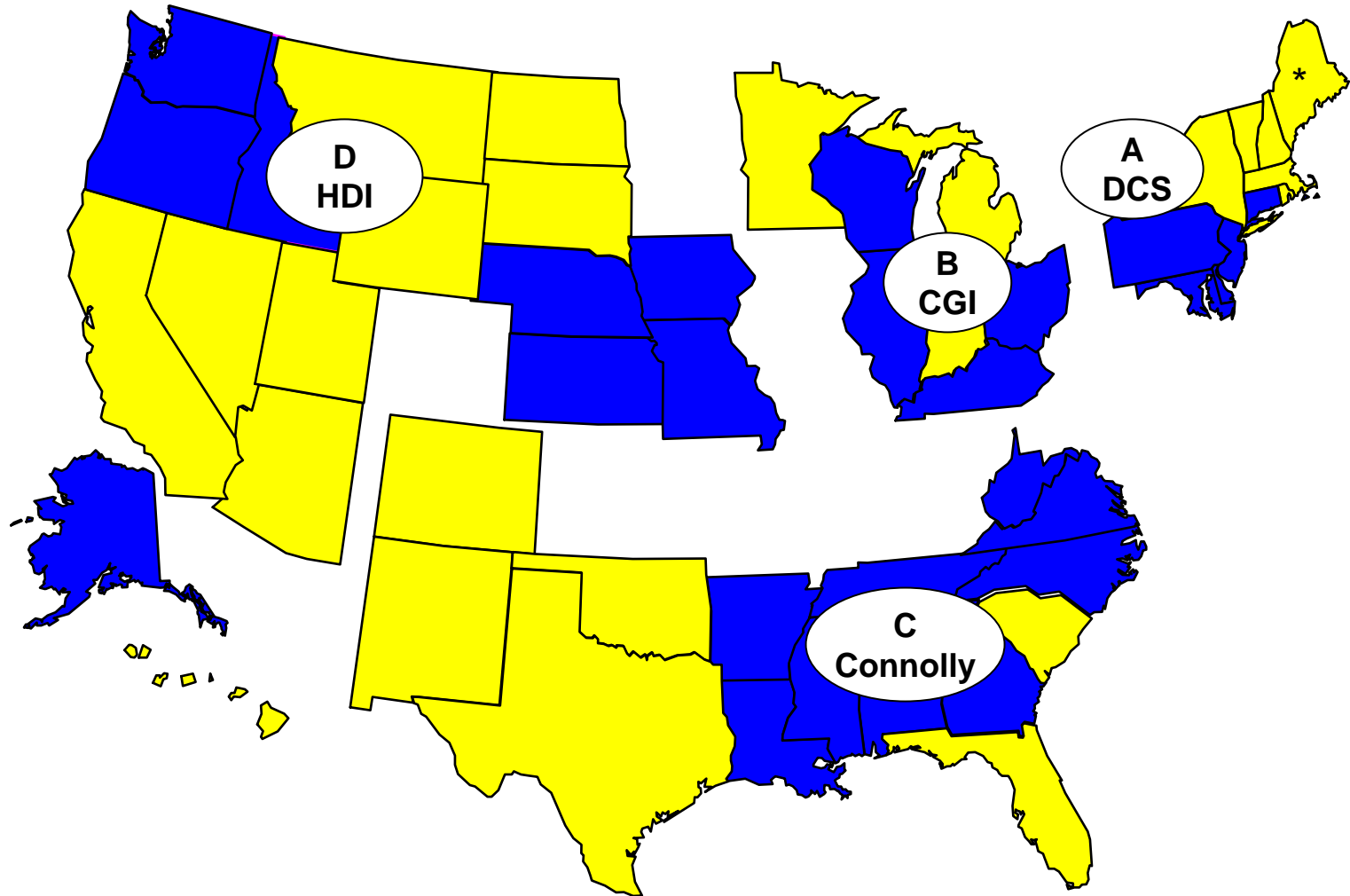
What is RACTrac?

Why is RACTrac Important?



**American Hospital
Association**

CMS' National Rollout Plan



March 1, 2009

August 1, 2009 or later

RAC Demo Findings

RAC Impact: March 2006 to March 2008

Overpayments Collected: **\$992.7 m**

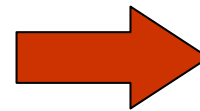
Less Underpayments Repaid: (\$37.0 m)

Less \$ Overturned (overpayments) (\$1.0 m)

Less PRM (IPF) (review) (4.0 m)

Less Costs of RAC Demo: - (\$201.3 m)

BACK TO TRUST FUNDS



\$693.6 m*

Outcome Still Unknown

*Chart does not account for many pending appeals.

**95% from
Hospitals**



American Hospital
Association

RAC Impact on Hospitals

Overpayments Collected by Quarter:



RAC Demo Findings

RAC Appeals Experience to Date

	July 2008 Data thru 3-31-08	September 2008 Data thru 6-30-08	January 2009 Data thru 8-31-08
Total RAC Denials	525,133	525,133	25,133
Overall Appeal Rate	1.0%	9.9%	1.5%
Overall Appeal Rate for Appealed Denials	5.3%	4.1%	4.0%
Overall Overturn Rate	6%	6.8%	7.6%

Source: CMS, Denial and Appeal Numbers – www.cms.hhs.gov/rac

What is the dollar value?



American Hospital Association

AHA RACTrac Goals

- Use RAC experience data collected via survey from hospitals to educate the field about trends in RAC audit activity and to advocate for continued changes in the RAC program
- Make it simple for hospitals to report data to AHA for use in advocacy activities
- We are all in this together.

What is AHA RACTrac?

- **Web-based Survey** to Collect RAC Experience Data from Hospitals
- Unit of analysis is the hospital
 - General Medical/Surgical Hospitals including Critical Access Hospitals
 - LTCH
 - Psych
 - Rehab
- **Quarterly data collection**
 - Automated Denials
 - Complex Denials
 - Underpayments
 - Appeals
 - Administrative burden
- **Collect both quarterly snapshot and cumulative information on RAC experience to date**

**Review the RACTrac
Survey Questions
and Definitions at
www.aha.org/rac
under RACTrac!**



American Hospital
Association

Free Claim Management Tool

Microsoft Excel - AHA Claim and Summary Tool 03-11-2009.xls

File Edit View Insert Format Tools Data Window Help Adobe PDF

Type a question for help

year 2009

American Hospital Association

Click Here Automated Claim Review

Click Here Automated Definitions

Click Here Complex Claim Review

Click Here Complex Definitions

Click Here Underpayments Review

Click Here Underpayments Definitions

Click Here Summary Data

Click Here SAVE & EXPORT

Click Here INSTRUCTIONS

Hospital's Name:

Type of Facility:

Reporting period for CSV export:

Please check that the quarter and year are consistent with the open collection period in the web tool.

Disclaimer: This Excel template (upload tool) was developed for the American Hospital Association (AHA) by Booz Allen Hamilton. The Upload Tool is designed solely to facilitate uploading of data directly from hospitals and health systems to RACTrac by using common definitions and a common format. The Upload Tool is provided "AS IS" and all users accept the responsibility to protect against any failure, disruption or error resulting from the use of the Upload Tool. Neither the AHA nor Booz Allen make any guarantees, warranties, representations, and the like - whether written or oral, expressed or implied - that the Upload Tool will be error free, fail safe in any particular applications or environments in which it may be installed, or compatible with current or future products or environments. No warranties may be inferred from a course of dealing or usage or trade between the AHA and Booz Allen. Both AHA and Booz Allen disclaims to the extent allowed by law all implied warranties or conditions, including implied warranties of merchantability, fitness for a particular purpose, title and non-infringement.

Available now at www.aha.org/rac under RACTrac.

Overview | Instructions | Automated Claim Reviews | Complex Claim Reviews | Underpayments | Summary Data | Automated Definitions | Complex D

NUM

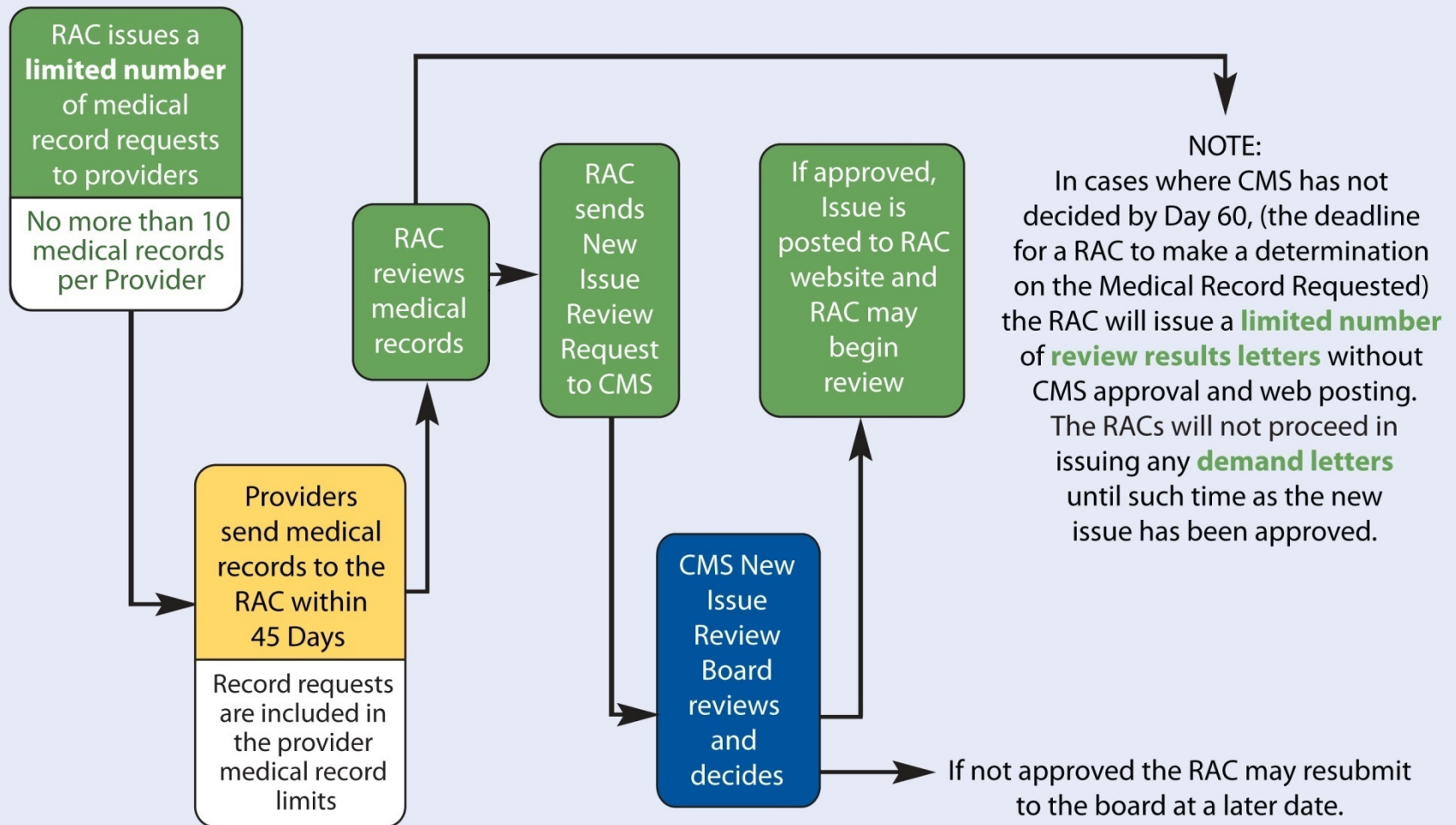
Claim Management Tool

- Many hospitals in the demo used Excel
- An Excel Template to get you started in tracking:
 - Automated denials
 - Medical record requests and denials
 - Underpayments
 - Appeals
- Its FREE and available to all hospitals (members and non members)
- Download the tool at www.aha.org/rac under RACTrac!
- This tool will organize your data to report into RACTrac. (Summary Report and CSV File)

Claim Management Tool

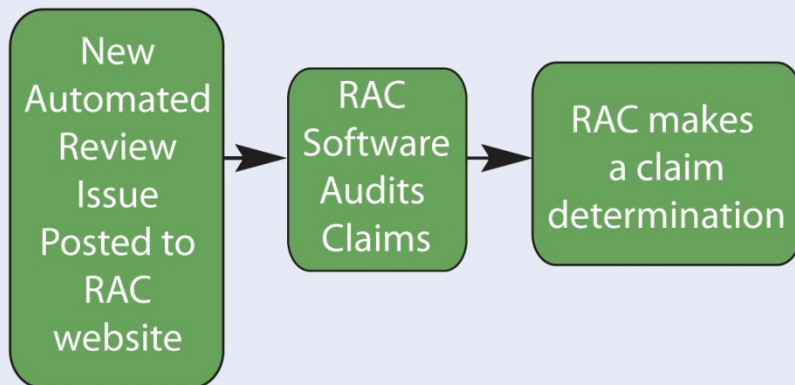
- A Starting Point
- Platform for organizing data that is manually entered by a hospital
- Static – can't be updated like a web based application. As the program changes, the Excel tool does not.
- Prone to human errors; file is large and may run slowly.
- Limited Customization
- One worksheet per hospital. You should not track more than one hospital in the claim level tool.
- Hospitals should only track RAC denials in claim level tool

RAC New Issue Review Process for **COMPLEX CLAIM REVIEW**

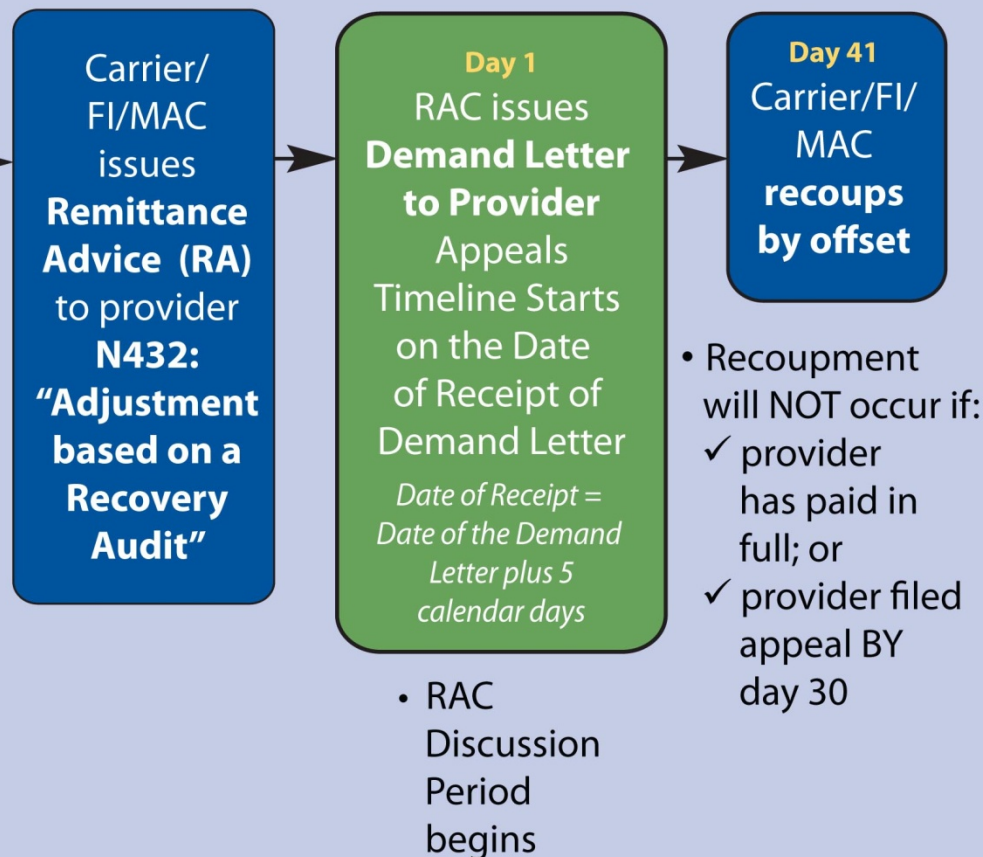


RAC Review & Collection Process

Automated Review

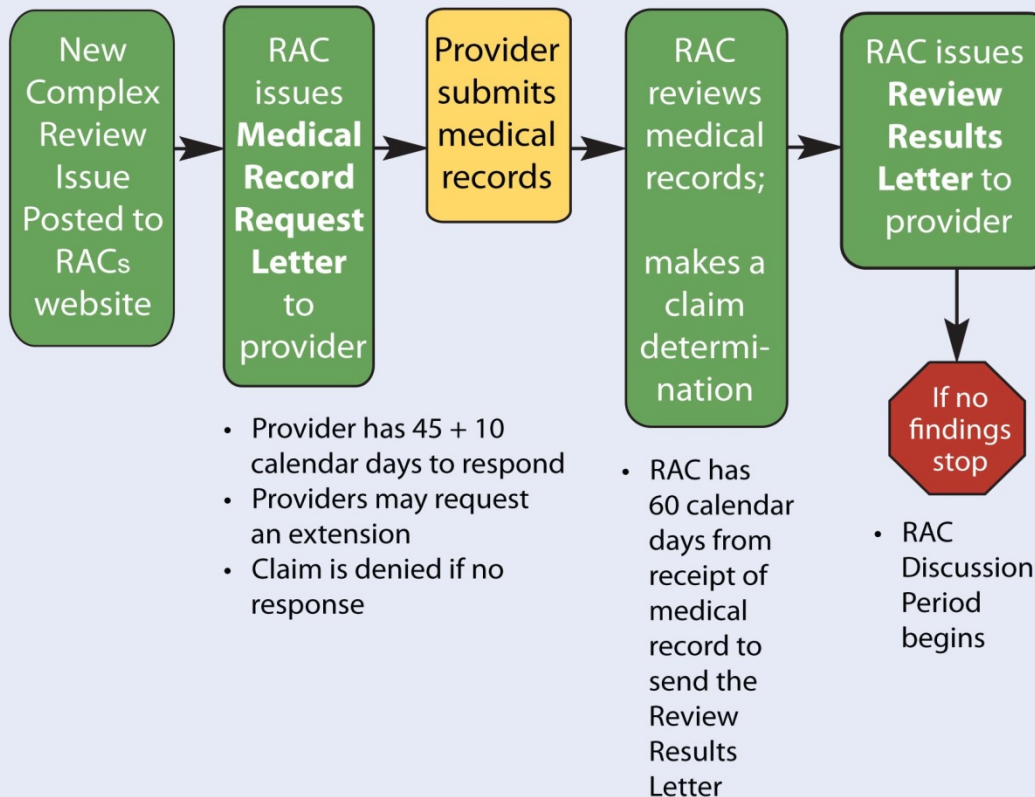


The Collection Process

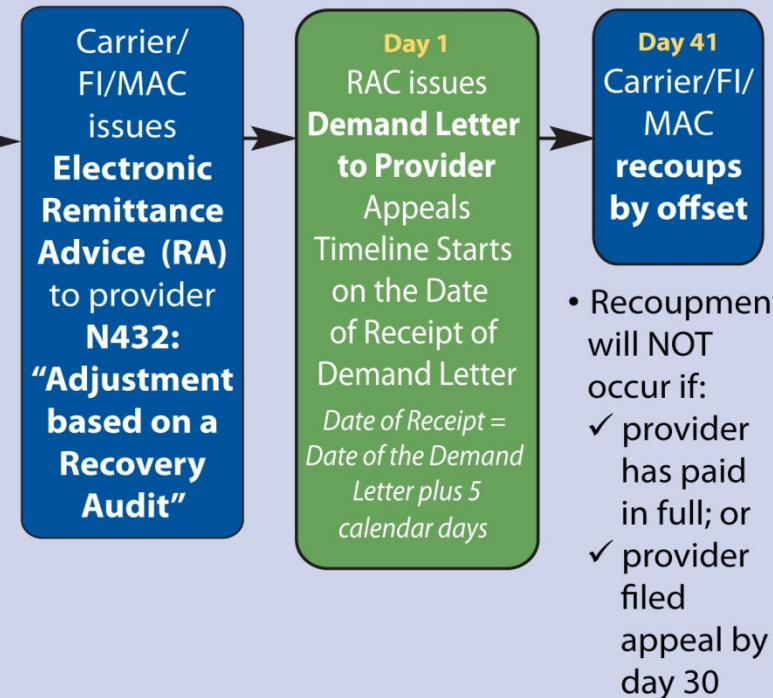


RAC Review & Collection Process

Complex Review



The Collection Process



QUESTIONS



American Hospital
Association

Demonstrate Claim Level Excel Tool

Disclaimer:

This Excel template (upload tool) was developed for the AHA by Booz Allen Hamilton (BAH). The Tool is designed solely to facilitate uploading of data directly from hospitals and health systems to RACTrac by using common definitions and a common format. The Upload Tool is provided "AS IS," and all users accept the responsibility to protect against any failure, disruption or error resulting from the use of the Upload Tool. Neither the AHA nor BAH make any guarantees, warranties, representations and the like whether written or oral, expressed or implied that the Tool will be error free, fail safe in any particular applications or environments in which it may be installed, or compatible with current or future products or environments. No warranties may be inferred from a course of dealing or usage or trade between the AHA and BAH. Both AHA and BAH disclaim to the extent allowed by law all implied warranties or conditions, including implied warranties of merchantability, fitness for a particular purpose, title and non-infringement.



American Hospital
Association

QUESTIONS



American Hospital
Association

www.aharactrac.org

The screenshot shows a Microsoft Internet Explorer browser window displaying the AHA RACTrac website. The browser's address bar shows the URL <http://www.aharactrac.org/home/>. The website header features the American Hospital Association logo and the RACTrac logo. The main content area is divided into two columns. The left column contains a 'Welcome' section with text explaining the RACTrac survey, its purpose, and participation details. The right column contains a 'Login' section with fields for 'Username / Email' and 'Password', a 'Login' button, and links for 'Register >' and 'Forgot Password >'. Below the login section is a 'Contact Us' section with fields for 'Email Address', 'Organization Name', 'State' (a dropdown menu), 'First Name', and 'Last Name', followed by a 'Questions/Comments' text area and a 'Submit' button. The footer of the website provides contact information for the American Hospital Association.

Welcome

The American Hospital Association (AHA) has created RACTrac, a Web-based survey that asks hospitals to report data on their Medicare Recovery Audit Contractor (RAC) experience on a quarterly basis. AHA, State, Metro and Regional Hospital Associations as well as health systems will use the aggregate data reported by hospitals to identify trends and to advocate for needed changes to the program. Having timely and accurate data will enable AHA to tell the hospital story and report on the impact of the RAC program. All individual data reported by hospitals will remain confidential and not be shared without written permission.

Participation in RACTrac is free and open to all AHA member and non member hospitals or state, metropolitan or regional associations. Organizations must however register to participate. To register, you must obtain an organizational ID and security code for your organization. You can register to participate if you are an employee of a hospital or a health system charged with reporting on or overseeing RAC activities. In addition, if you are an employee of a state, regional or metropolitan association, you may also register to view and download data. More than one individual can register for an organization and an individual can register for multiple organizations within their system.

AHA will begin data collection once RAC audits begin. AHA will focus on collecting permanent program RAC experience data. If you participated in the demonstration (NY, CA, FL, SC and MA hospitals), AHA is only interested in the impact of this program as of October 2008 when the permanent program was rolled out. AHA is also only interested in any denials that result from Medicare Recovery Audit Contractor audits.

AHA is currently only accepting data from the following types of hospitals.

- General medical/surgical acute care hospitals (including Critical Access Hospitals)
- Inpatient Rehabilitation Hospitals
- Psychiatric Hospitals
- Long Term Acute Care Hospitals

If you have been unable to obtain your organizational ID and security code from your CEO, please contact AHA member relations at 800-424-4301. For questions about RACTrac, please email RACTracSupport@aha.org or dial 888-RAC-TR1C (888-722-8712). All other RAC program questions should be directed to RACInfo@aha.org or visit the AHA RAC website at www.aha.org/rac.

Login

Username / Email

Password

Login

[Register >](#)

[Forgot Password >](#)

Contact Us

Email Address

Organization Name

State Select State

First Name

Last Name

Questions/Comments

0 of 400

Submit

American Hospital Association
325 7th Street, NW, Suite 700, Washington, DC 20004
888-RAC-TR1C (888-722-8712)
www.aha.org/rac


Enter Data Online

AHA RACTrac - Windows Internet Explorer
http://www.aharactrac.org/home/

File Edit View Favorites Tools Help

Kimpton Hotels: Boutique ... AHA RACTrac

Home Feeds (1) Print Page Tools

 **RACTrac**
American Hospital Association

Welcome "alysa" **Please do not use the internet browser buttons (e.g., back, refresh) while in RACTrac.** [Data Use Agreement](#) | [Contact Us](#) | [Logout](#)

OVERPAYMENTS - AUTOMATED RAC REVIEWS

Entering Data for Hospital: **Advocate Bethany Hospital** Current Quarter: **July 01, 2009 to September 30, 2009** Entry Date: **April 01, 2009**

Overpayments (Automated) | Overpayments (Complex) | Underpayments | Appeals | Administrative Burden

CUMULATIVE THROUGH END OF THE CURRENT QUARTER

Check here if your hospital is not tracking automated claim denials.
(If checked, skip to Overpayments - Complex RAC Reviews)

Totals should reflect experience from program inception through end of current quarter

1. Total number of automated claim denials

2. Total (estimated) dollars as associated with automated claim denials \$

3. Total dollars recouped for automated claim denials \$

CURRENT QUARTER

Check here if your hospital has had no new activity this quarter.
(If checked, skip to Overpayments - Complex RAC Reviews)

4. Indicate the service areas in which automated RAC denials have occurred **this quarter**.
Please select your hospital type in 4A. and then indicate the services in which automated RAC denials have occurred for your hospital **this quarter** in 4B and **check all that apply**

4A. Hospital Type

4B. Service Areas

Error on page. Internet | Protected Mode: On 75%

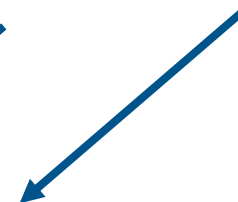
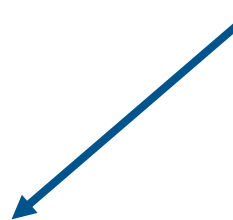
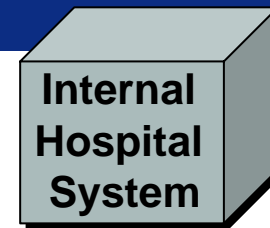
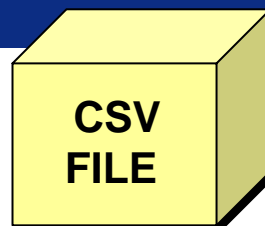
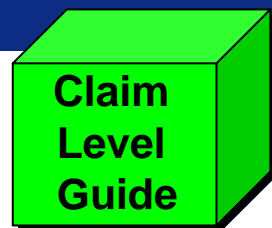
AHA RACTrac - Win... Internet Status - Wi... Document1 - Micro... MN RAC Presentati... March 2009 UPdate ... 3:30 PM

www.aharactrac.org Rollout

- Automated Reviews likely to begin in June
- Complex Reviews likely to begin later in the fall or winter
- Earliest Data Collection to Start – October 1
- Step 1 – AHA to send invitation CEO to participate in RACTrac!
- Step 2 – Hospital RAC Liaison's to Sign Up to be registered users!
 - Likely to be a Slow Rollout - State by State
- Step 3 –All registered users will be notified as to when data collection will begin in their state

RACTrac Functionality –www.aharactrac.org

In order for hospitals to provide RACTrac with summary-level data on a quarterly basis, they must have a mechanism to track activity internally. AHA is providing a BASIC claim level Excel template that will guide hospitals' in tracking this data. It is specifically designed to summarize data to answer the survey. It will also export to a CSV file that can be loaded directly into www.aharactrac.org

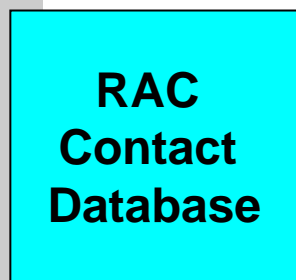


RACTrac Compatible Vendor may create a CSV File upload or a Report



AHA will post aggregate data on a quarterly basis for RACTrac registered users.

For more information read our RACTrac Advisory available at www.aha.org/rac



Email Functionality



RACTrac's primary purpose is the collection of RAC experience data from hospitals on a quarterly basis and to maintain it in a secure location.

QUESTIONS

RACTrac Compatible Vendors

- **AHA is currently working with several vendors who have developed claim level RAC audit tracking tools and would like to make their tools RACTrac “compatible.”**
- **A RACTrac compatible vendor will allow you to easily aggregate your RAC experience data and report it to AHA on a quarterly basis through www.aharactrac.org**
- **Ask your vendor – Is your tool AHA RACTrac “compatible?”**
- **See the current vendor list at www.aha.org/rac under RACTrac. The list is updated periodically.**



What does it mean to be RACTrac Compatible?

- To earn the title RACTrac Compatible, AHA will validate that the product will aggregate RAC experience data in a way that will answer AHA's RACTrac survey questions (excluding Administrative Burden Questions).
- HOW – 2 options available to Vendors
 - Create a summary report that can be used by hospitals to manually enter their data at www.aharactrac.org
 - Create a CSV file that matches the AHA RACTrac CSV file for upload into www.aharactrac.org
- AHA will not provide for seamless upload from another product into RACTrac. The hospital must register and enter or upload data themselves on a quarterly basis.
- Having your name listed on the vendor list does not mean you are RACTrac compatible – the status column will indicate compatibility date

AHA Disclaimer

- A vendor's appearance the AHA list **implies neither support nor endorsement of any particular product of vendor,** but rather this list is provided solely as background for those who are looking to identify a product for their organization.
- The compatible status column will change as individual products compete the testing and validation process – noted on our website

Continued Compatibility with RACTrac

- AHA hopes to make only ANNUAL updates to the survey when needed (e.g. claim level tool and survey questions)
 - AHA will provide vendors with the list of updates prior to implementation and distribute a timeline for implementation
 - Updates will likely include new denial reasons or additional questions to the site that will reflect changes in the program and impact on providers
- Vendor calls will continue as appropriate
- AHA is committed to working with vendors on an ongoing basis regarding RACTrac related initiatives

Why AHA RACTrac?

- ✓ Internally tracking RAC audit activity is essential for minimizing financial risk, identifying areas for improvement and surviving the RACs.
 - *A claim management tool* will help you organize your data
- ✓ Data on the impact of the RACs on hospitals is essential for AHA to be successful in our advocacy efforts.
- ✓ Participation in RACTrac will allow AHA to identify trends in reasons for denials across the RAC regions or at the national level. This information can be used to educate the field.
- ✓ Hospital participation in RACTrac will provide AHA and the State Hospital Associations the data they need to advocate on your behalf.
- ✓ RACTrac is FREE and available to hospitals that would like to provide data regardless of membership

Get Ready

- AHA will start requesting data from hospitals in fall 2009.
- Look for resources at www.aha.org/rac under RACTrac

Questions??

RACTracsupport@providercs.com