

Evaluation of the Impact of CMS’s Recovery Audit Contract Initiative on the Medicare Provider Community

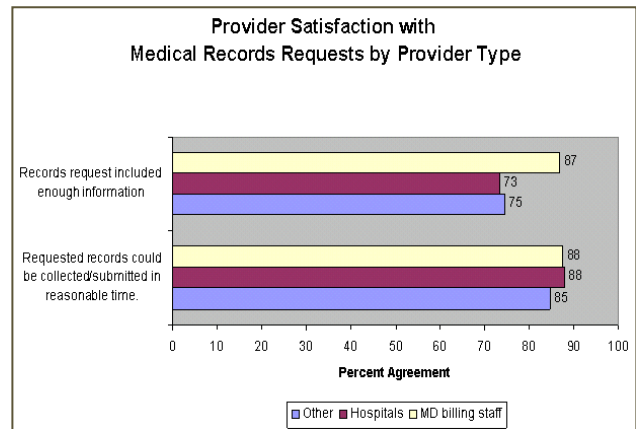
Client: U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services

Project Overview

This 3-year demonstration assessed the effectiveness of using Recovery Audit Contractors (RACs) to identify and recover over- and underpayments made to Medicare providers while also incurring minimal burden on the provider community (e.g., physicians, providers, and suppliers who provide services paid under Medicare). The States of California, New York, and Florida were selected for this demonstration based on their high per capita Medicare expenditure amounts.

As a subcontractor to Econometrica, Insight conducted:

1. Discussion groups with providers and suppliers in New York and Florida to obtain feedback on their perceptions of the RAC demonstration project and their experiences working with each RAC in their States.
2. A Provider Satisfaction Survey of the pilot RACs. This survey, modeled after the Medicare Contractor Provider Satisfaction Survey (MCPSS), was designed to yield accurate estimates of provider satisfaction in each of 3 States as well as data on Medicare providers’ awareness of the demonstration project, their attitudes toward the RACs, and their satisfaction with the RACs’ handling of the claims investigation process. Insight compiled a sampling frame of providers in each of the 3 States, formed the sampling units based on enterprise and establishment, developed screening procedures, and analyzed results from 2,400 providers.



The results, along with an assessment of the financial impact of the demonstration on the Medicare program, were used to make recommendations for the demonstration’s extension or expansion. Following implementation of the project nationwide, Insight led the development of an ongoing sampling and estimation process to provide a representative set of claims from each RAC to estimate the RAC monthly accuracy rate.

Core Activities

Program Evaluation; Site Visits; Survey Design and Implementation; Qualitative Research; Complex Survey Data Analysis; Secondary Data Analysis and Simulations; Policy Analysis and Assessment; Report Development and Presentation

Products

The final report, entitled “RAC Demonstration Briefing Report and Provider Survey,” was submitted to CMS and included as part of a larger report, “The Medicare Recovery Audit Contractor (RAC) Program: An Evaluation of the 3-Year Demonstration” (June 2008), available at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/recovery-audit-program/downloads/RACEvaluationReport.pdf>.

