

Compliant claims needed.
Fast responses required.



Being prepared for RACs.

Humanly Possible

Get Ready for the RACs

The Recovery Audit Contractors (RACs) provide a higher level of scrutiny for hospitals, physicians, and suppliers who submit claims to Medicare. The RACs review records based on routine Medicare claims processing rules, yet they also have the capacity to audit greater numbers of medical records. Currently, the areas of greatest vulnerability are incorrectly coded data, medically unnecessary admissions and services, and incomplete or late submission of records to the RAC. Effort to mitigate the risks of RAC audits is time well spent.

Tips for preparing

- **Gain support from the top for RAC preparation.** RAC audits can have a significant financial impact on facilities, and responding to auditors' requests is time and labor intensive. Make sure senior management knows that preparation will take time, but it's certainly worth the effort.
- **Organize a RAC team.** Start by assigning a RAC Coordinator. Then form a multi-disciplinary RAC team to address both oversight and tactical issues. Members of the team should include representation from health information management, compliance, utilization management, case management, quality management, clinicians, finance and legal. Key activities should include:
 - Establish protocols to follow in advance of the RAC audits
 - Identify areas of risk to monitor
 - Assess current systems for alerts and reporting capabilities
 - Assess the organization's ability to carry out all needed processes including audits, record release and launching the appeal process
- **Audit and monitor coding correctness and medical necessity.** Inaccurate coding and medically unnecessary services have been found to be the top two areas of improper payments. Reduce your vulnerability by putting tools and processes in place to catch these errors before claims are submitted. Retrospective audits can provide some assurance of accuracy and may include record review or the use of tools to verify accuracy.

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- **Include physicians in the process and continue documentation improvement efforts.** Thorough documentation is needed to support accurate coding. Implementing a documentation improvement program can help to improve coding accuracy and support compliant records.
- **Develop a systematic appeal process.** Assign the RAC Coordinator or other personnel to manage all appeals. Monitor the timeliness of responses and engage the RAC Team in determining which denials to appeal.
- **Create a record management process.** Develop a seamless process for releasing large numbers of records as well as a tracking database related to RAC requests to track the stage of appeals.
- **Identify potential target areas.** Areas of vulnerability may be identified in the Office of Inspector General, General Accounting Office, PEPPER and other reports. Monitoring these sources as well as your own trending reports can help to identify areas at risk.

3M Health Information Systems can help you prepare

3M Health Information Systems has software and consulting services that can help facilitate compliant records, reduce the risk for audits as well as provide tools for rapid, accurate responses to record requests and assistance with effective appeals.

Prevention to mitigate risk

3M can help you in your process of creating compliant claims with software and consulting services that:

- Support accurate coding with tools that alert you to compliance issues before claims are submitted
- Identify potential target areas with a detailed, in-depth review of your hospital's coded data and physician documentation
- Provide case managers with timely and valuable information
- Check for medical necessity before services are rendered
- Identify incorrect codes on outpatient claims

Response for optimal results

Hospitals can be prepared to respond quickly to auditors' requests for records with our document management software that helps to:

- Track chart locations and the status of requests for information
- Respond faster with electronic records

Additionally, 3M can help you identify areas of risk and which denials to appeal and also develop your appeals process with software and consulting services that:

- Validate RAC audit findings
- Assist with the appeals process through tools that create an audit trail and document your decisions
- Manage the appeals process for you

Call today

For more information on how 3M solutions can assist your organization, contact your 3M sales representative, call us toll-free at **800-367-2447**, or visit us online at **[www.3Mhis.com /racs](http://www.3Mhis.com/racs)**.



Health Information Systems

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