

Health Headlines

January 17, 2012

CMS FAQs on Medicaid RAC Program

CMS published Frequently Asked Questions (FAQs) related to the Medicaid Recovery Audit Contractor (RAC) program on December 30, 2011. CMS highlights significant sections of the Medicaid RAC final rule in this guidance and re-emphasizes that Medicaid RACs will not replace existing state Medicaid program integrity contractors. On September 16, 2011, CMS published the final rule in the Federal Register (76 Fed. Reg. 57808) which implements the Medicaid RAC program, as required by § 6411 of The Patient Protection and Affordable Care Act.

Medicaid RACs are required to identify overpayments and underpayments, and the deadline for States to implement their respective RAC programs was January 1, 2012. The CMS FAQs discuss, among other things:

- Options that States have if they are unable to implement a Medicaid RAC program by January 1, 2012;
- CHIP is not included within the scope of the Medicaid RAC final rule;
- States may exclude Medicaid managed care claims from review by Medicaid RACs, as currently, “CMS is only requiring State Medicaid RAC programs to review fee-for-service claims;” and
- Medicaid RAC audits must not exceed three years from the date the claim was filed, unless the contractor receives approval from the State.

The CMS FAQs are available [here](#) and King & Spalding's *Health Headline* related to the Medicaid RAC final rule is available [here](#).

Reporter, *Juliet M. McBride*, Houston, +1 713 276 7448, jmcbride@kslaw.com.

Health Headlines – Editor:

Dennis M. Barry
dbarry@kslaw.com
+1 202 626 2959

The content of this publication and any attachments are not intended to be and should not be relied upon as legal advice.