

How Can Recovery Audit Contractors help me?

Recovery Audit Contractors (RACs) are companies that contract with Medicare to find improper payments that may have been made to Medicare providers for treating people with Medicare. The RAC demonstration program was created as a way to find and correct improper payments made to Medicare providers and suppliers. The demonstration program is currently operating in California, Florida, New York, Massachusetts, South Carolina, and Arizona and will expand nationally by 2010.

What is an improper payment?

Improper payments are payments made in error to doctors or other health care providers for treating people with Medicare. For example, if a doctor submits a claim to Medicare twice by mistake, that claim is improperly paid because it is paid twice. An improper payment can also be an underpayment to the provider. This is when Medicare owes more money to a provider.

Who will the Recovery Audit Contractor program help?

The RAC program will help save Medicare money. The money that's recovered from providers who were overpaid will be returned to Medicare which will help protect the Medicare Trust Funds for future generations.

Will I get money from the RACs?

No. You won't get money directly from the RACs. You may get money back from your provider if a RAC review finds that you paid more coinsurance and deductible than you should have. Call your provider if you believe you may have overpaid.

Does the RAC program save taxpayer dollars?

Yes. Paying Medicare providers correctly saves taxpayer dollars.

Will the RAC program change my Medicare benefits?

No. Your Medicare benefits won't change because of the RACs. This program provides Medicare with a new way of finding improper payments that were made in the past and is also a valuable tool for making sure proper payments are made in the future.

For more information, visit www.cms.hhs.gov/RAC on the web.

