

FROM: MARKUS P. CICKA, J.D., L.L.M. (Health Law)
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Re: Recovery Audit Contractor (RAC)

The **Patient Protection and Affordable Care Act (PPACA)** is a United States federal statute which was signed into law on March 23, 2010.

Section 6411 of PPACA expands to Medicaid the Recovery Audit Contractor (RAC) program, which previously applied only to Medicare Parts A and B.

The RAC reviews provider claims for covered items and services to identify potential payment errors, such as duplicate payments, mistakes by fiscal intermediaries, and incorrect coding. The audits include reviews of medical records to determine medical necessity and to identify coding errors.

RACs receive a percentage of the improper overpayments they collect and a payment for any underpayments identified.

Missouri Medicaid Audit and Compliance Unit is pleased to announce that Cognosante LLC has been awarded a contract to perform RAC services for the State of Missouri.