For more information, please contact:
Lauren Kotarski
Public Communications Inc.
lkortarski@pcipr.com

Does CMS Owe You Money?
Journal of AHIMA examines why underpayments may be underreported in RAC Audits

CHICAGO – January 30, 2017 – No health information management (HIM) professional is enthused by the news that a representative from the Centers of Medicare and Medicaid Services (CMS) will be on site as part of the Recovery Audit Contractor (RAC) program.

In the February issue of the Journal of AHIMA, the publication explores one potential silver lining of a RAC Audit – underpayments. But the article, “RAC Audit Underpayments: Does CMS Owe You Money?” finds that while recovery auditors are supposed to be looking for them, the rate at which they discover overpayments is usually low. The article sites a RACTrac survey result from the second quarter of 2016. According to the survey, while 40 percent of Recovery Audit determinations included an overpayment, just three percent found an underpayment.

The article lists three primary ways that organizations can proactively identify underpayments:

- Perform pre-bill audits, internally or with an external vendor. Retrospective audits can also be a way to find areas and trends for where underpayments typically occur.
- Work together with IT to build data mining tools that help identify the claims with the highest probability of being underpaid.
- Use audit results to educate staff about vulnerabilities and how to mitigate risk.

“It is important to review, audit and identify improper Medicare payments – both overpayments and underpayments,” said AHIMA CEO Lynne Thomas Gordon, MBA, RHIA, CAE, FACHE, FAHIMA. “HIM professionals play an important role in responding to audit requests, but we also encourage them to institute or refine coding and CDI audits designed to proactively identify areas of potential over-and underpayments.”

The article also addresses a common misconception that Recovery Auditors only receive a contingency fee for overpayments; they also receive a fee for identifying underpayments.

Also in this issue:

Over the past year, AHIMA continued to emphasize the strategic importance of Information Governance (IG) and recruited 11 organizations to pilot or follow the AHIMA Information
Governance Adoption Model (IGAM). The story, "Three Practical IG Projects You Should Begin Today," features best practices and learnings by AHIMA and these organizations.

The three “must-dos” are: creating an information asset inventory, starting a data governance initiative and refining record retention schedules and projects.

Read these articles and more in the February issue of the Journal of AHIMA or online at journal.ahima.org.

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The American Health Information Management Association (AHIMA) represents more than 103,000 health information professionals in the United States and around the world. AHIMA is committed to promoting and advocating for high quality research, best practices and effective standards in health information and to actively contributing to the development and advancement of health information professionals worldwide. AHIMA’s enduring goal is quality healthcare through quality information. www.ahima.org