

From the desk of CMS

Medicare Launches Innovative New Program to Ease “Transitions of Care”

Medicare’s Quality Improvement Organization (QIO) contractors are launching initiatives across the country to improve coordination across the continuum of health care. As part of the Care Transitions Project, QIOs are promoting seamless transitions to and from hospital care, home and primary care, skilled nursing care, or home health care.

The business case for the [Care Transitions Project](#) is clear: the process by which patients move from hospitals to other care settings is increasingly problematic as hospitals shorten lengths of stay and as care becomes more fragmented. Medicare patients report greater dissatisfaction related to discharges than to any other aspect of care that the Centers for Medicare & Medicaid Services (CMS) measures.

To address this, the Care Transitions Project focuses on reducing unnecessary readmissions to hospitals that may increase risk or harm to patients and cost to Medicare. CMS is looking to QIOs to implement projects that effect process improvements to address issues in medication management, post-discharge follow-up, and plans of care for patients who move across health care settings.

This innovative project was launched in 14 sites across the country in August 2008. Participating communities are: western PA; southern NJ; north-west Denver, CO; Miami, FL; Harlingen, TX; Greater Lansing area, MI; Whatcom County, WA; metro Omaha, NE; Baton Rouge, LA; Tuscaloosa, AL and surrounding areas; Providence RI; Evansville, IN; Metro Atlanta East, GA; and Upper Capitol Region, NY.

E-Prescribing Incentives

As you may have heard, eligible professionals who successfully report an E-prescribing measure to CMS in 2009 could receive an incentive payment equal to 2% of all of their Medicare Part B fee-for-service allowed charges for services furnished during this calendar year. There is no sign-up or preregistration to participate in the E-Pre-prescribing Incentive Program.

For the 2009 E-prescribing reporting year, to be a successful E-prescriber and to receive an incentive payment, an eligible professional (EP) must report one E-prescribing measure in at least 50% of the cases in which the measure is reportable by the eligible professional during 2009.

However, there are certain limitations for participation. First, eligible professionals must have and use a qualified E-prescribing system. Second, at least 10% of eligible professionals’ Medicare Part B-covered services must be made up of codes that appear in the denominator of the E-prescribing measure.

To help eligible professionals navigate the new Incentive Program, CMS has added new educational material to its library of online resources. The “2009 E-Pre-prescribing Incentive Program Made Simple” is a step-by-step guide to help eligible professionals determine their eligibility to participate in the E-prescribing incentive program and to walk eligible professionals through the E-prescribing process.

Visit the [Electronic Prescribing Incentive](#) Program, scroll down to the “Downloads” section and click on the “2009 Electronic Prescribing Incentive Program Made Simple” link. Check the site often for more updates about the program.

Recovery Audit Contractors Update

In October 2008, CMS announced the award of contracts to four national recovery audit contractors (RACs). Those contract awards were protested and a stop work order was put in place. Consequently, the implementation of the national [RAC program](#) was put on hold until the protests could be resolved. The protests were resolved on February 6, 2009. The settlement of the protests means that CMS will now continue with the im-

plementation of the national RAC program.

As mandated by section 302 of the Tax Relief and Health Care Act of 2006, CMS will implement a permanent and national RAC program by January 1, 2010. The national RAC program is the outgrowth of a successful demonstration program that used RACs to identify Medicare overpayments and underpayments to health care providers and suppliers in California, Florida, New York, Massachusetts, and South Carolina.

The national RACs were selected under a full and open competition process. As announced in October, the new RACs are:

- Diversified Collection Services, Inc. (DCS) of Livermore, CA, in Region A, initially working in Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and New York.
- CGI Technologies and Solutions, Inc. of Fairfax, VA, in Region B, initially working in Michigan, Indiana, and Minnesota.
- Connolly Consulting Associates, Inc. of Wilton, CT,

in Region C, initially working in South Carolina, Florida, Colorado, and New Mexico.

- HealthDataInsights, Inc. (HDI) of Las Vegas, NV, in Region D, initially working in Montana, Wyoming, North Dakota, South Dakota, and Utah.

As part of the settlement of the protests, the four RACs listed above will contract with subcontractors to supplement their efforts. PRG-Schultz, Inc. will serve as a subcontractor to HDI, DCS, and CGI in Regions A, B and D. Viant Payment Systems, Inc. will serve as a subcontractor to Connolly Consulting in Region C. Each subcontractor has negotiated different responsibilities in each region, including some claims review.

With regard to next steps, over the next several months, CMS will begin contacting associations and providers to discuss provider outreach sessions involving the RACs. Providers will not begin receiving correspondence from a RAC until the RAC and CMS have completed the provider outreach. MPM