

## **Part A/B Medicare Administrative Contractor (MAC) for Jurisdiction 15 Implementation Background Sheet**

*(Please refer to the Jurisdiction 15 A/B MAC Background Sheet #2 regarding information on GAO protest resolution)*

### ***CMS to Implement Jurisdiction 15 A/B MAC***

- CMS has moved forward to implement the A/B MAC Jurisdiction 15 contract. The Jurisdiction 15 kickoff meeting was held on November 17<sup>th</sup> and 18<sup>th</sup> 2010. Over the next several months, the Medicare claims processing workloads of the incumbent Medicare fiscal intermediaries (FIs) and carriers will be transferred to Cigna Government Services (CGS)
- The CMS and CGS will take appropriate actions to ensure that the workload transfers proceed smoothly and Medicare providers and beneficiaries within Jurisdiction 15 continue to receive high levels of service.
- The Jurisdiction 15 A/B MAC contract has a total estimated value of approximately \$243.3 million over five years.

### ***About CIGNA Government Services, LLC (CGS)***

- CGS presently serves as the Medicare Part B carrier for the states of North Carolina and Idaho. Until 2009, CGS also served as the Medicare Part B carrier for Tennessee.
- CGS continues to serve as the Durable Medical Equipment (DME) MAC for seventeen western states. CGS' Medicare operations are headquartered in Nashville, TN.
- Under a subcontract to CGS, Riverbend Government Benefits Administrator will provide several Part A functions, including claims processing, customer service, audit and reimbursement, provider enrollment, redeterminations, medical review, and overpayment recovery. In addition, Riverbend will perform certain mailroom, imaging, and document retention activities for CGS.
- Several other subcontractors will also support CGS. Please refer to the CMS fact sheet on the Jurisdiction 15 A/B MAC contract award (July 2010) for a complete listing of these subcontractors and their respective functions.

### ***About the A/B MAC Jurisdiction 15***

- The Jurisdiction 15 A/B MAC is comprised of the Part A/Part B workload in Kentucky and Ohio. This MAC contract also includes the home health and hospice claims administration responsibilities for workload in Colorado, Delaware, District of Columbia, Iowa, Kansas, Maryland, Missouri, Montana, Nebraska, North Dakota, Pennsylvania, South Dakota, Utah, Virginia, West Virginia and Wyoming.
- The following are the current fiscal intermediaries (FI) and carriers administering the Medicare program in Jurisdiction 15 and the workloads they serve:
  - Cahaba GBA (RHHI for Colorado, Delaware, District of Columbia, Iowa, Kansas, Maryland, Missouri, Montana, Nebraska, North Dakota, Pennsylvania, South Dakota, Utah, Virginia, West Virginia and Wyoming)
  - National Government Services (FI for Kentucky and Ohio; carrier for Kentucky)
  - Palmetto GBA (carrier for Ohio)
  - Wisconsin Physicians Service Insurance Corporation (FI for some providers in Kentucky and Ohio)
- The FIs and carriers listed above will continue to carry out their responsibilities until the Jurisdiction 15 A/B MAC is implemented.
- In order to keep Medicare stakeholders informed regarding segment implementation, CMS is announcing the effective dates of the respective workload transfers:
  - Kentucky Part B (currently serviced by NGS)- 05/02/11
  - Kentucky Part A (currently serviced by NGS)- 10/17/2011
  - Ohio Part A (currently serviced by NGS)- 10/17/2011
  - Ohio Part B (currently serviced by Palmetto)- 6/20/2011
  - RHHI B (currently serviced by Cahaba)- 6/13/2011
- For further information concerning transition from an FI/Carrier to a Medicare Administrative Contractor, please refer to:

***MLN Matters Articles/2010 Number: SE1017 (“Preparing for a Transition from an FI/Carrier to a Medicare Administrative Contractor (MAC) or from one Durable Medical Equipment (DME) MAC to another DME MAC. This MLN article can be found at: <http://www.cms.gov/MLNMattersArticles/2010MMAN>***

#### ***About Medicare Contracting Reform***

- The CMS has learned a tremendous amount about integrating multiple complex and large initiatives, and is pleased that the lessons learned from the early implementations will be applied to the decisions made to continue optimizing the administration of the original Medicare program.

- Since 2006, CMS has moved over 65 percent of the claims administration services to MACs and expects to complete the implementation of the remaining contracts by 2011.
- The CMS has stringent standards for contract performance on these contracts and measures performance through a variety of processes, including on-site oversight, data reviews and protocol driven quality assurance reviews, as well as independent audits. As CMS continues to use the competitive process to select claims administration contractors, performance to the contract requirements is an evaluation factor.
- Questions concerning the Jurisdiction 15 A/B MAC contract award should be directed to Donald Knode in CMS's Office of Acquisition and Grants Management. Mr. Knode may be contacted at 410-786-1046 or [Donald.Knode@cms.hhs.gov](mailto:Donald.Knode@cms.hhs.gov) during regular CMS business hours.