

**Jurisdiction 13 Part A/Part B Medicare Administrative Contractor for
Connecticut and New York
(J13 A/B MAC) Award
Qs and As**

-- National Government Services --

March 18, 2008

Q: What company has been awarded the contract for the J13 A/B MAC workload?

A: National Government Services (NGS) has been awarded the contract for the J13 A/B MAC.

Q: What states are included in A/B MAC J13?

A: The states included in J13 are Connecticut and New York.

Q: What are the major contractual differences of the A/B MACs compared to the current fiscal intermediaries (FIs) and carriers?

A: The workload for each A/B MAC is being awarded through full and open competition conducted in accordance with the Federal Acquisition Regulation. Based on structured evaluation criteria, the proposal with the best value for the government will be selected in each procurement. The A/B MAC contracts are for the administration of both Medicare Part A and Part B claims in a specific geographic jurisdiction. They allow for performance incentives to be earned by the MAC.

The FI and carrier contracts historically have been competed to a limited number of contractors which may or may not have been the best qualified organizations to do the work. In addition, the carriers have had to be chosen from health insurance companies. The contracts for the FIs and carriers do not allow for performance incentives; rather they pay the contractor the costs incurred in conducting their operations.

Q: What is the effect of Medicare Contracting Reform on beneficiaries and providers?

A: Beneficiaries will have a single point-of-contact, connecting them to a seamless operations network for meeting their information needs. A beneficiary's first point of entry for resolution of questions about Medicare coverage will be 1-800-MEDICARE. The A/B MAC will handle only complex inquiries from beneficiaries.

The A/B MAC will serve as the point of contact for providers, physicians and practitioners for all claims-related business. Medicare contracting reform also will benefit providers with improved provider education and training by the A/B MACs.

Q: What type of contract has been awarded for the J13 A/B MAC workload?

A: The J13 A/B MAC was awarded under a cost-plus-award-fee contract. The period of performance for the contract is a base period with four 1-year options. The total value of the contract for the five year period is approximately \$323 million.

Q: Where is the J13 A/B MAC contractor's headquarters? Where will the work actually be performed?

A: NGS is headquartered in Indianapolis, Indiana. Some operations will also be performed in Binghamton and Syracuse, New York and Middletown, Connecticut.

Q: When will the new J13 A/B MAC begin operations?

A: The implementation activities of the A/B MAC that are needed to move the Part A/Part B workload for the states included in Jurisdiction 13 will begin immediately. The MAC will complete the transfer of the claims and information from FIs and carriers and be fully operational no later than November 2008.

Q: What FIs and carriers are currently processing claims for the states in J13?

A: The following are the current fiscal intermediaries (FI) and carriers administering the program in J13 and the states they serve:

- National Government Services (FI for Connecticut; FI and carrier for New York)
- First Coast Service Options, Inc. (carrier for Connecticut)
- Group Health Inc. (carrier for New York)
- HealthNow New York, Inc. (carrier for New York)
- Mutual of Omaha (FI for some providers in Connecticut)

Q: How will staffing be affected as work moves from the current FIs and carriers to the J13 A/B MAC?

A: With the award and implementation of the new contract, one contractor will be performing the work that had been distributed among five. Fewer staff will be required.

For more specific questions regarding staffing please contact the Contracting Officer, Cathy Baldwin at cathy.baldwin@cms.hhs.gov or 410-786-5791.

Q: How many beneficiaries and providers are there in J13? What percent of the national claims workload is accounted for in this Jurisdiction?

A: As of March 31, 2007, approximately 2,755,565 Medicare beneficiaries and 286 Medicare hospitals are located in the two states comprising this jurisdiction. Also, as of March 31, 2007, approximately 111,802 physicians and practitioners provided services in this area.

With respect to the workload, approximately 8.3% of national Medicare fee-for-service claims are in this jurisdiction.

Q: Did the winning contractor have any subcontracts? If so, what services will the subcontractor provide?

A: As the J13 A/B MAC, NGS is subcontracting with the following companies:

- MedUS Services will provide support with appeals, medical review, provider enrollment and provider outreach and education.
- Systematic Billing and Credentialing Services will provide support with Medicare secondary payer and hospital audits.
- Figliozzi & Co. will provide provider audit services.
- Allison Payment Systems will provide print/mail services.