

**Award of
Part A and Part B Medicare Administrative Contractor (A/B MAC)
Contract for Jurisdiction 6**

- On September 27, 2012, the Centers for Medicare & Medicaid Services (CMS) announced that National Government Services, Inc. (NGS) has been awarded the Jurisdiction 6 A/B MAC contract for the administration of the Part A and Part B Medicare fee-for-service claims in the states of Illinois, Minnesota, and Wisconsin.
- The contractor will also be responsible for processing Medicare home health and hospice billings in thirteen states and five U.S. territories: the states of Alaska, Arizona, California, Hawaii, Idaho, Michigan, Minnesota, Nevada, New Jersey, New York, Oregon, Wisconsin and Washington, as well as the territories of American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands.
- When the contract is fully implemented, the Jurisdiction 6 A/B MAC contractor will serve over 2.7 million beneficiaries in Illinois, Minnesota, and Wisconsin. The Part A and Part B service area included within Jurisdiction 6 is shown below:



- The Jurisdiction 6 A/B MAC will also serve more than 400 Medicare hospitals (including critical access hospitals) and approximately 64,000 physicians. The contractor will administer approximately 8.1% of the overall national Medicare fee-for-service Part A and Part B claims volume.
- The Part A/B MAC Jurisdiction 6 contract includes a base year and four option years, for a maximum duration of five years. The contract is a “cost plus award fee” contract; the award fee will be earned only if NGS meets and exceeds the base requirements of the contract for service quality, timeliness, cost, and management.
- Inclusive of all option periods, the awarded Jurisdiction 6 A/B MAC contract has an estimated value of \$318.0 million.

- In addition to processing Medicare claims in Jurisdiction 6, NGS will perform other critical Medicare operational functions, including enrolling, educating, and auditing Medicare providers. The Jurisdiction 6 A/B MAC will also administer Medicare claims for several thousand Federally Qualified Health Centers (FQHCs).
- Over the next six months, CMS will oversee the transfer of Medicare work from the incumbent contractors to the Jurisdiction 6 A/B MAC. During this time, providers and beneficiaries in Illinois, Minnesota, and Wisconsin will continue to be served by their current Medicare fiscal intermediaries and carriers.
 - NGS holds the Part A Fiscal Intermediary contracts for Illinois and Wisconsin, as well as the Region Home Health Intermediary contract for the thirteen states and five U.S. territories named above.
 - Wisconsin Physicians Service Insurance Corporation (WPS) is the incumbent Part B carrier for Illinois, Minnesota, and Wisconsin.
 - Noridian Administrative Services (NAS) is the incumbent Part A Fiscal Intermediary for Minnesota.
- CMS anticipates that implementation of the new contract will go smoothly, with few, if any, disruptions in service for Medicare beneficiaries and providers.
- In 2003, Congress mandated that CMS award contracts for Medicare fee-for-service claims administration service through competitive federal contracting processes.
- This contract award marks the completion of the initial round of competitive procurements for Medicare fee-for-service claims processing contracts, referred to as MAC contracts.
- The initial contract solicitation was issued in August 2007, but CMS took procurement corrective action when protests were filed against two previous awards of this contract. This contract award completes CMS's second procurement corrective action for this contract.
- CMS has stringent standards for contract performance on the MAC 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, the technical approach and the past performance track records of the offerors are major evaluation factors.
- Questions about the contract award should be directed to Desiree Wheeler in CMS' Office of Acquisition and Grants Management. Ms. Wheeler may be reached at 410-786-2404 or at Desiree.Wheeler@cms.hhs.gov.