

Functional Contractors Overview

By 2010, the Medicare Administrative Contractor (MAC) will be the central point in the Agency's national fee-for-service program. The establishment and monitoring of the relationships within this program is critical to the integrity of the MAC contract administration. Functional contractors will play an essential role.

- **Beneficiary Contact Center (BCC)**
The BCC is assuming the duties traditionally held by fiscal intermediaries and carriers. In the BCC environment, beneficiaries have a single Medicare point-of-contact, a 1-800-MEDICARE call center operated by CMS that will connect them to a seamless network of customer service entities that can answer Medicare and related questions and resolve problems.
- **Enterprise Data Center (EDC)**
A data center is an entity that houses claims processing software systems for Medicare claims. The EDC is consolidating the large number of data centers currently servicing Medicare Fee-For-Service contractors. There are three contractors on the EDC Indefinite Delivery Indefinite Quantity contract, which was awarded in February 2006.
- **Healthcare Integrated General Ledger and Account System (HIGLAS)**
HIGLAS is the new general ledger accounting system that will replace the Contractor Administrative Budget and Finance Management system, also known as CAFM, functions. Where possible, the transition to the HIGLAS accounting system is aligned to the MAC implementation schedule to avoid having the MAC use multiple systems in reporting/tracking financial data.
- **Medicare Secondary Payer Recovery Contractor (MSPRC)**
The MSPRC is responsible for recovering overpayments where Medicare was not the primary payer. The MAC will continue to accept unsolicited refunds and will continue working any MSP debt currently in HIGLAS.
- **Zone Program Integrity Contractors (ZPICs)**
The PSCs perform functions to ensure the integrity of the Medicare Program. Each MAC will interact with one PSC to handle fraud and abuse issues within their jurisdictions.
- **Qualified Independent Contractors (QICs)**
The QICs are responsible for conducting the second level of appeals (reconsiderations of initial determinations and redeterminations of Medicare claims). The MAC is responsible for handling the first level of appeals. The QIC task order establishing three jurisdictions (north, south, and Durable Medical Equipment) to account for MACs was awarded in September 2006.

- **Quality Improvement Organization (QIO)**
The QIO is an organization of a group of practicing doctors and other health care experts that are paid by the federal government to review and improve the care given to Medicare patients. QIOs review complaints about the quality of health care services given to Medicare beneficiaries and certain appeals determinations of services in acute care hospitals, skilled nursing facilities, Comprehensive Outpatient Rehabilitation Facilities, and home health agencies. QIOs also review cases from acute care hospitals and long-term care hospitals to make sure the care was medically necessary, provided in the appropriate setting, and coded correctly.
- **Recovery Audit Contractors (RACs)**
The RACs, are responsible for identifying improper Medicare payments that may have been made to healthcare providers and that were not detected through existing program integrity efforts.
- **Shared System Maintainers (SSMs)**
Medicare requires implementation of a limited number of shared systems by all contractors for their claims process and related functions. This eliminates the need for each to repeat development of the basic system.

Medicare Fee-for-Service Program Administrative Functional Environment

