

**Part A/B Medicare Administrative Contractor for Jurisdiction 7
Award Protest Resolution Fact Sheet**

- On July 10, 2009, the Centers for Medicare & Medicaid Services (CMS) announced that Trailblazer Health Enterprises, LLC (Trailblazer) has been awarded the contract for the combined administration of Part A and Part B Medicare fee-for-service claims in Jurisdiction 7 (J7) comprising the states of Arkansas, Louisiana and Mississippi.
- A protest had been filed against the Part A/Part B Medicare Administrative Contractor (A/B MAC) award made under solicitation CMS-2007-0002 and announced by CMS on June 11, 2008.
- The protest was of the award for the A/B MAC for J7 made to Pinnacle Business Solutions, Inc. (PBSI) of Little Rock, Arkansas.
- The protest was filed with the Government Accountability Office (GAO) on July 2, 2008.
- In accordance with the Competition in Contracting Act (CICA), the timely filing of the protest triggered an automatic stay on performance of the PBSI contract pending GAO's decision on the protest.
- On October 6, 2008, GAO sustained the protest of the award and recommended corrective steps. As a result, CMS took corrective action on certain aspects of the award decision.
- The following are the current fiscal intermediaries (FI) and carriers administering the program in J7 and the states they serve:
 - Cahaba GBA (carrier for Mississippi)
 - Pinnacle Business Solutions, Inc. (FI and carrier for Arkansas; carrier for Louisiana)
 - TriSpan (Blue Cross and Blue Shield of Mississippi) (FI for Louisiana and Mississippi)
 - Wisconsin Physicians Service Insurance Company (FI for some providers in Arkansas, Louisiana and Mississippi)
- TrailBlazer will implement the J7 A/B MAC by taking over the work from the FIs and carriers on an incremental basis.
- Neither the providers, physicians, nor the beneficiaries who receive service from the current fiscal intermediaries and carriers in this jurisdiction have been adversely affected by the protest of the J7 A/B MAC award.

- Questions should be directed to Darrell Bachman at 410-786-8167 or Darrell.Bachman@cms.hhs.gov in CMS' Office of Acquisition and Grants Management.

Information Concerning the J7 A/B MAC

- The J7 A/B MAC contract has a total estimated value of approximately \$134 million over five years.
- TrailBlazer's operations are headquartered in Dallas, Texas.
- TrailBlazer will have the following subcontractor(s):
 - *DocuData Solutions* which will handle the receipt, controlling, imaging, Optical Character Recognition, and manual keying of paper claims
 - *Allison Payment Systems* which will perform merging of Part A and Part B Medicare Summary Notices
- As of July 1, 2008, approximately 1,643,480 Medicare Fee-for-Service beneficiaries are located in this jurisdiction
- As of July 31, 2007, approximately 40,745 physicians and other medical professionals provided services in this area.
- As of December 31, 2008, approximately 447 Medicare hospitals are located in this jurisdiction.
- As of September 30, 2008, approximately 3.5% of the national Medicare claims workload is in this jurisdiction.
- With the award of the contract, one contractor will be performing the work that had been distributed among four. In general, this consolidation of claims administration activities results in an overall reduction in the number of staff that the A/B MAC will need to employ, in comparison to the current FIs and Carriers, resulting in reduced costs.