



mln listening session

A MEDICARE LEARNING NETWORK® (MLN) EVENT

MAC Performance and Request for Feedback on Opportunities to Enhance Provider Experience and Beneficiary Quality of Care

January 15, 22, and 29, 2020

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Acronyms in this Presentation

- **A/B** – Part A and Part B
- **DME** – Durable Medical Equipment
- **FFS** – Fee-For-Service
- **MAC** – Medicare Administrative Contractor



Topics

- What are Medicare Administrative Contractors (MACs) & what Fee-For-Service (FFS) program functions do they perform?
- How many MACs are there & what are their jurisdictions?
- How do MACs interact with other Medicare FFS contractors?
- How many Medicare FFS claims do MACs process? How large are their other FFS workloads?
- How are MACs performing?



What is a MAC

- A MAC is a CMS contractor that processes Medicare Part A and Part B (A/B) benefit claims or Durable Medical Equipment (DME) claims for a designated jurisdiction
- CMS relies on a network of MACs to serve as the primary operational contact between the Medicare FFS program and the health care providers and suppliers enrolled in the FFS program



Two Types of MACs

A/B MACs:

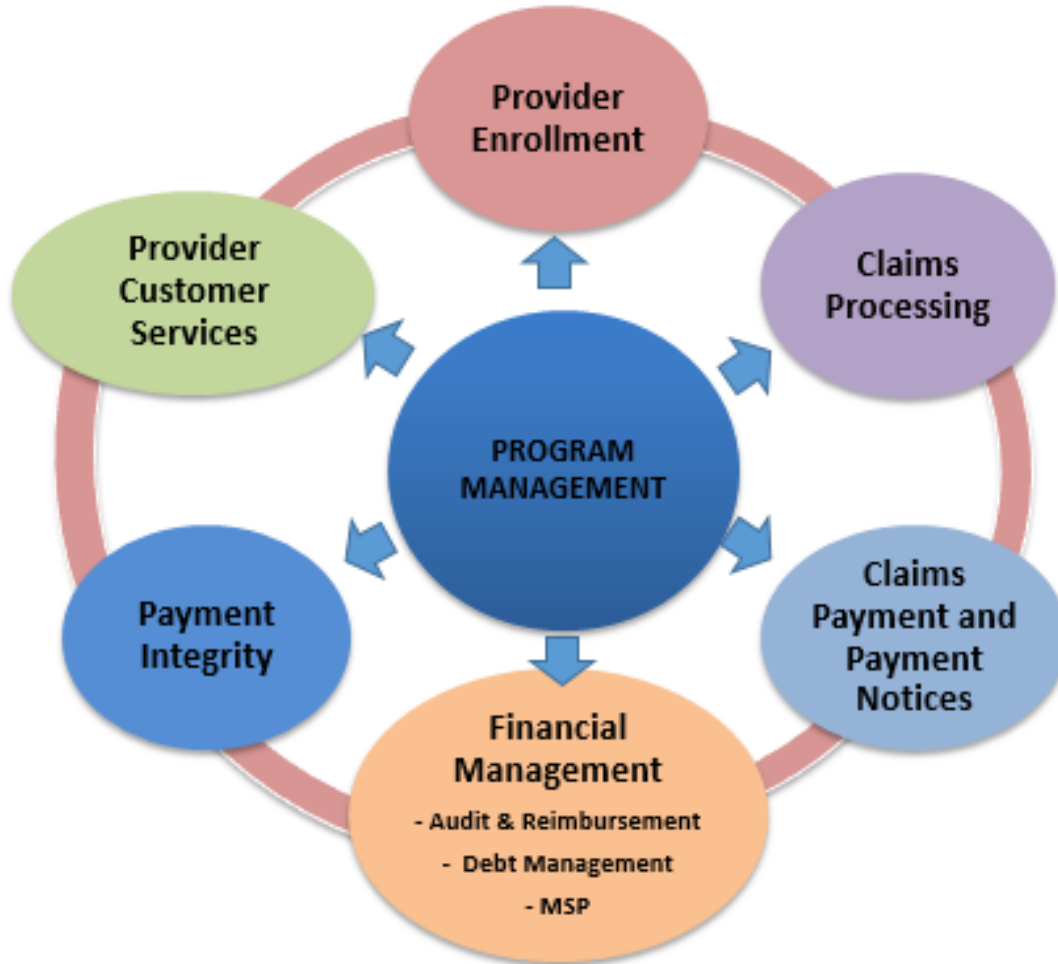
- Process claims for both institutional and non-institutional providers for a designated geographic jurisdiction. Collectively, the A/B MACs process about 95% of all FFS claims.
- There are 12 A/B MACs. CMS awarded these contracts through competitive procedures.
- Four of the A/B MACs specialize in handling claims from home health and hospice providers.

DME MACs:

- Make claims payments to durable medical equipment suppliers. Collectively, the DME MACs process about 5% of all FFS claims.
- There are four DME MACs. CMS awarded these contracts through competitive procedures.



What Do MACs Do?



- MACs support all Medicare FFS functional responsibilities shown here
- MACs serve as CMS's primary FFS interface to the health care provider community as we administer the traditional FFS Medicare program
- The MAC contract statement of work further defines each functional responsibility
- Note: The MAC is **not** the first line of contact for beneficiary customer service; 1-800 Medicare is the first line of contact for beneficiaries



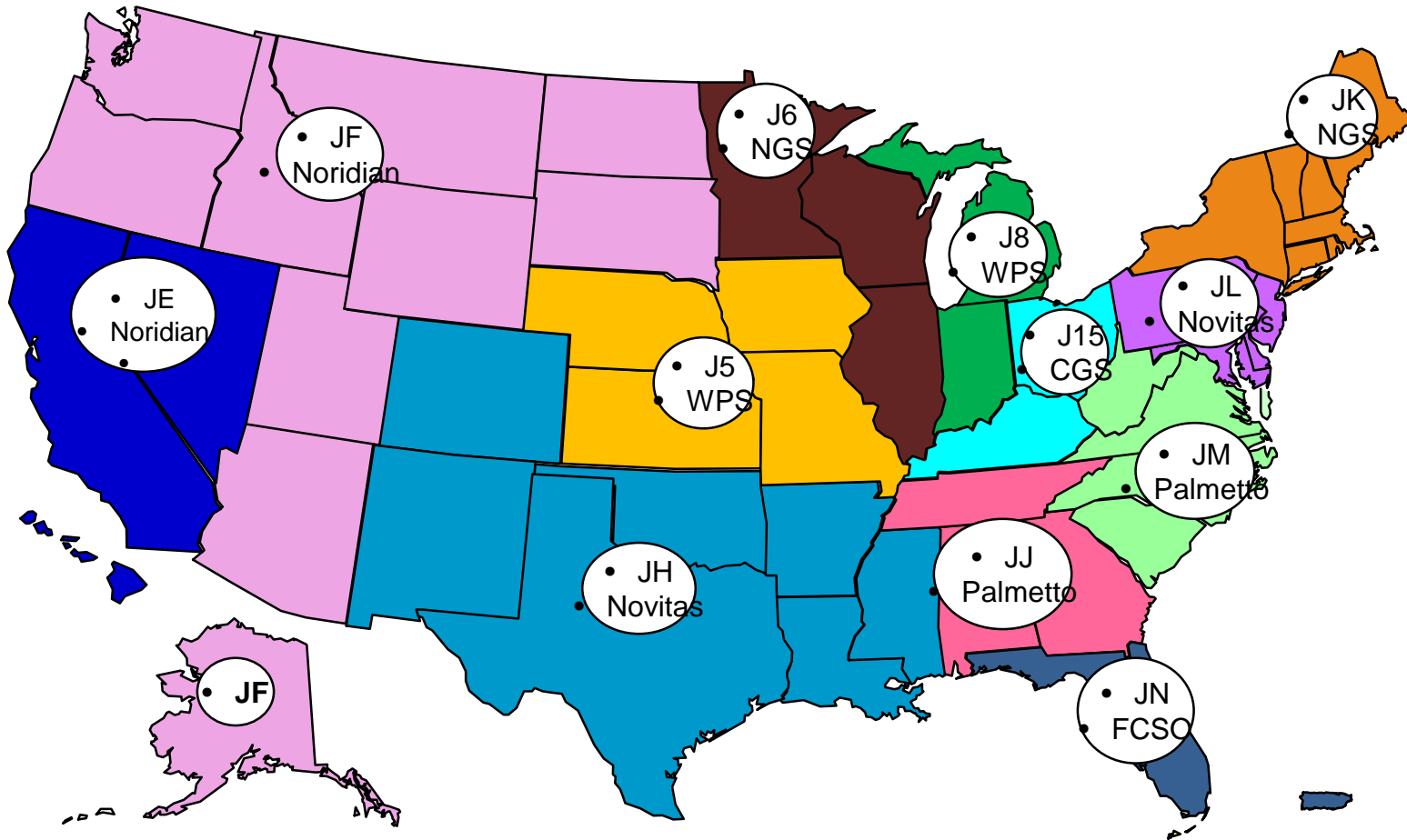
Primary Functions of the MACs

MACs:

- Process Medicare FFS claims
- Enroll providers in the Medicare FFS program
- Respond to provider inquiries
- Handle redetermination requests (1st stage appeals process)
- Review medical records for selected claims
- Perform provider reimbursement services
- Review and audit institutional provider cost reports
- Educate providers about Medicare FFS billing requirements
- Establish local coverage determinations
- Support CMS demonstration projects (e.g., prior authorization, new payment models)
- Coordinate with CMS and other FFS contractors



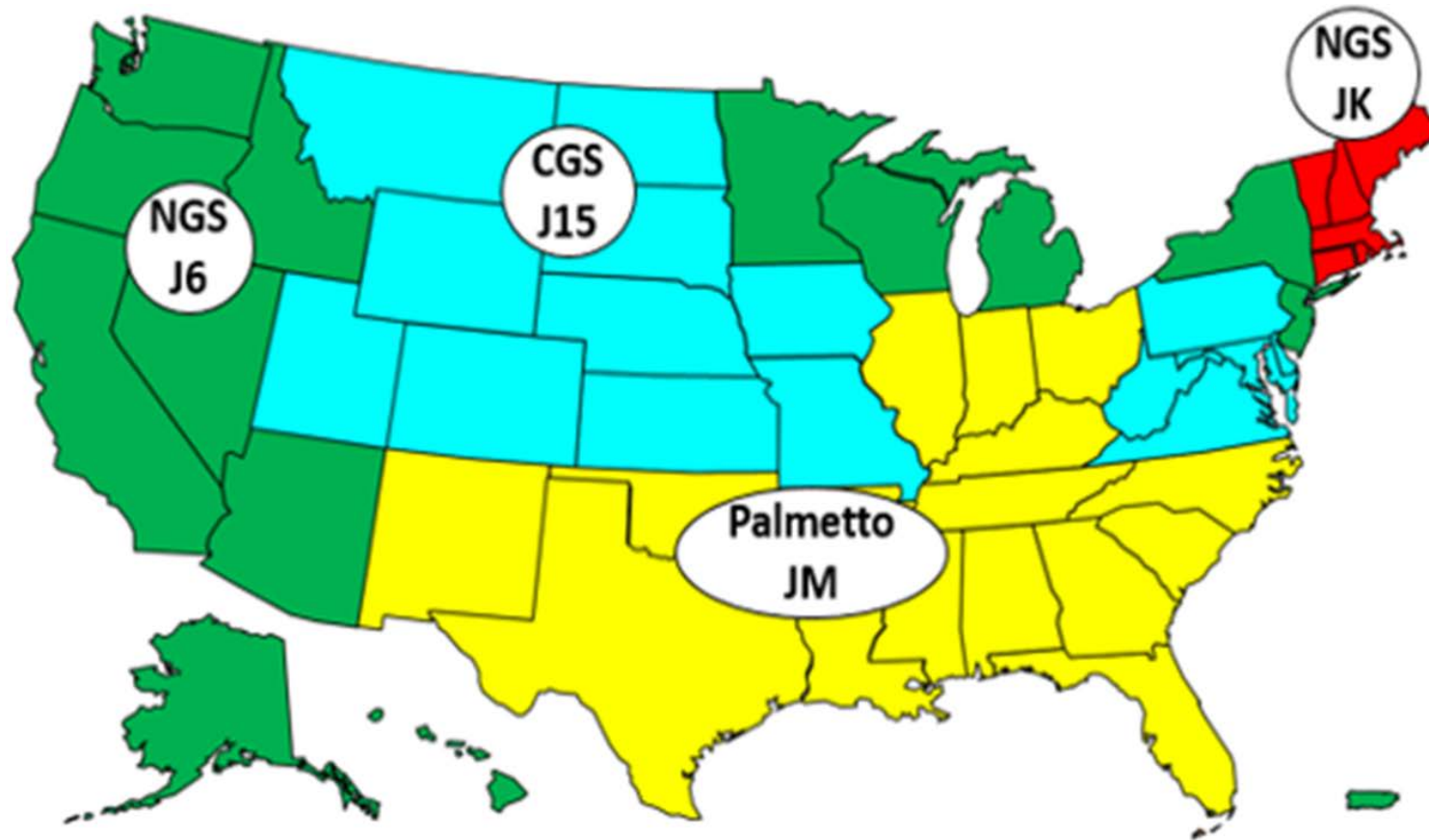
The 12 A/B MAC Jurisdictions (95% of all FFS Claims)



- There are 12 Medicare FFS A/B MAC jurisdictions
- Seven different companies hold prime contracts:
 - CGS
 - FCSO
 - NGS
 - Noridian
 - Novitas
 - Palmetto
 - WPS



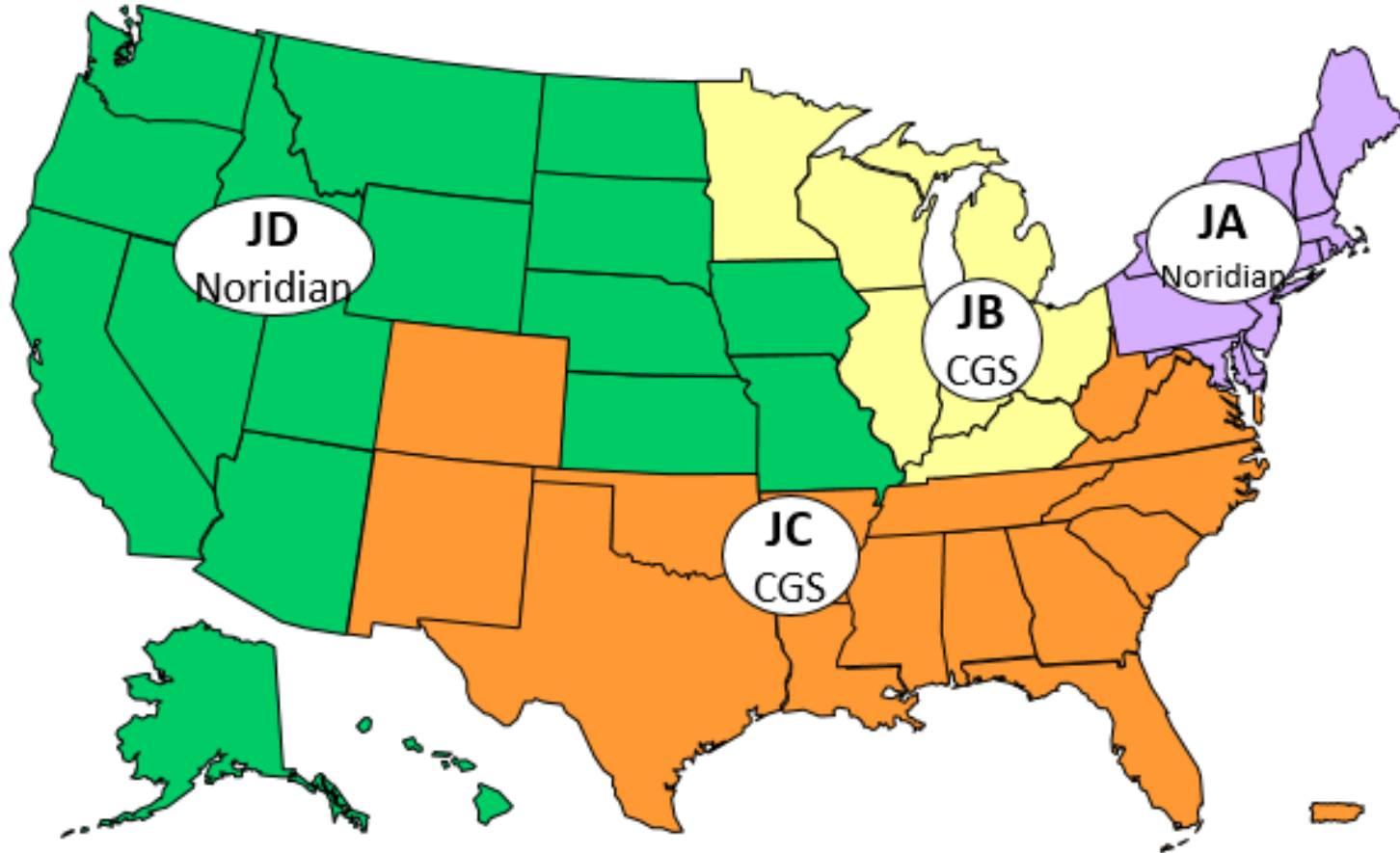
Four A/B MACs Specialize in Home Health and Hospice Claims (subset of A/B claims)



The four home health and hospice regions are embedded in four of the A/B MAC contract workloads (JK, JM, J6, and J15)



The 4 DME MAC Jurisdictions (5% of all FFS Claims)



- There are four Medicare FFS DME MAC jurisdictions
- Two different companies hold prime contracts:
 - CGS
 - Noridian



The Operational Scale of the MAC Program (Fiscal Year 2018 data)

MACs:

- Process claims for about 66% of Medicare beneficiaries
- Process more than 1.2 billion claims annually (>221 million Part A; >1 billion Part B)
- Serve 2.1 million-plus health care providers and suppliers
- Pay more than \$400 billion in benefits annually
- Perform their many program functions for a little less than \$1.2 billion in annual operational (administrative) costs



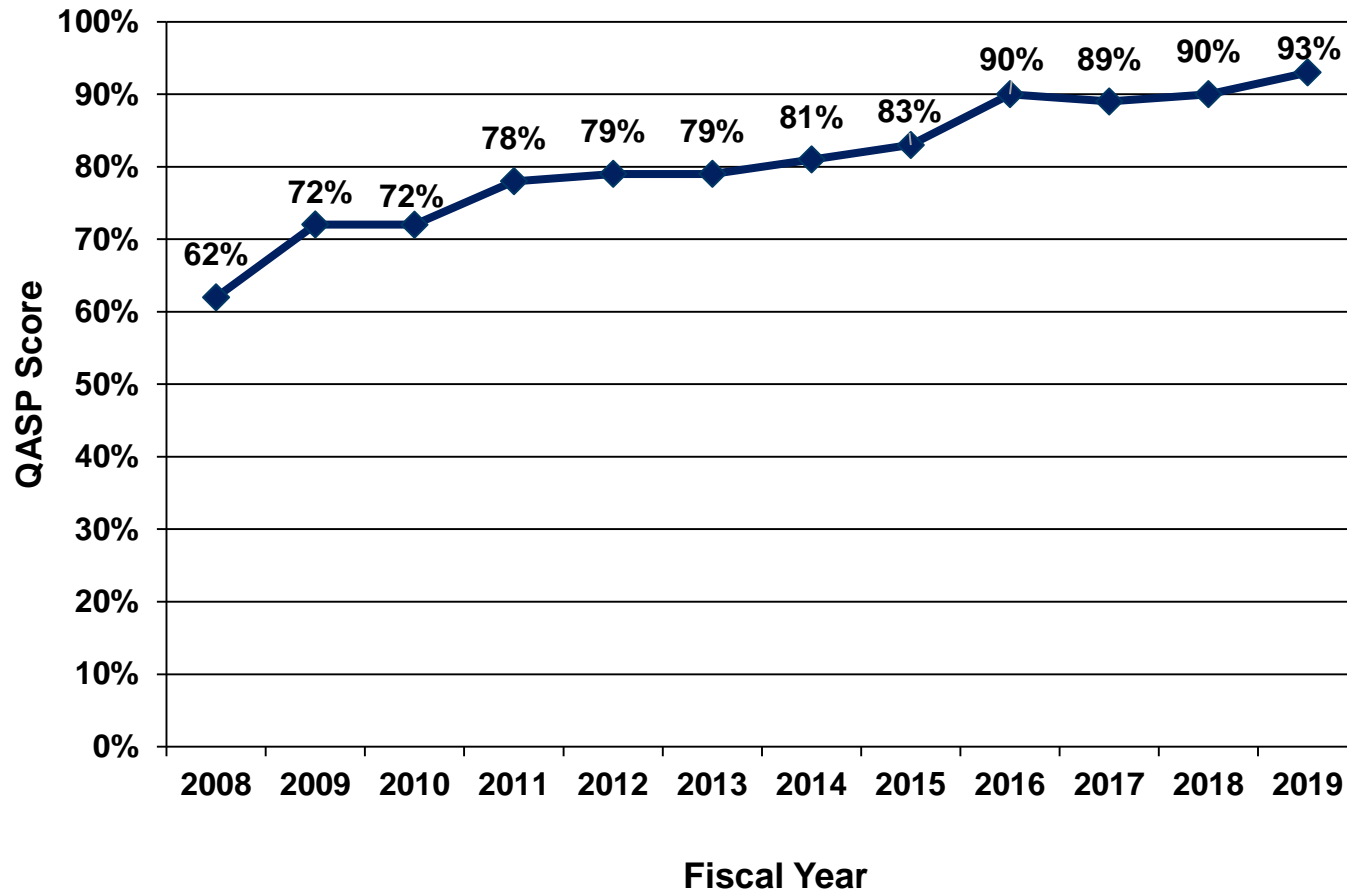
More MAC Program Metrics ... (Fiscal Year 2018 data)

MACs:

- Process more than 1.2 million provider enrollment transactions (all types)
- Complete more than 2.8 million Medicare redeterminations (1st level appeals)
 - MACs also provide support when cases are appealed to higher levels
- Handle more than 19.5 million provider telephone calls in their contact centers
 - The majority of responses are automated; still, 7.6 million calls were answered by MAC customer service representatives
 - MACs have made significant gains in offering high-quality self-service technologies to providers, reducing the volume of provider telephone inquiries
- Perform about 700 thousand medical records reviews annually
- Accept, review, audit (when indicated by targeting criteria) and settle about 44,000 provider cost reports annually



Trends in MAC Performance (as Measured by CMS Performance Metrics)



- MAC performance quality is rising.
- Each year, CMS evaluates MAC performance against specified metrics in eleven functional areas. As measured by this evaluation program, overall MAC performance improved by 31 percentage points from 2008-2019.
- In Fiscal Year 2019, on average MACs passed 93% of CMS performance metrics. The individual metrics range from difficult to extremely challenging.



Feedback Session

- CMS wants to hear your feedback to improve processes and enhance interactions with your MAC related to:
 - Operations
 - Technology
 - Business functions, including:
 - Claims processing
 - Electronic data interchange claims-based transactions
 - Telephone/written inquiries
 - Self-service (website/portal/interactive voice response unit)
 - Medical review
 - Outreach and education/educational resources
 - First level appeals or redeterminations
 - Provider enrollment
 - Debt collection
 - Cost report audit and reimbursement
 - Development of Local Coverage Determinations (LCDs)
- **We are particularly interested in hearing provider, practitioner, and supplier ideas about actions we could take to improve the overall beneficiary quality of care and customer service experience they may have with the MACs**



Resources

- Email CMSListens@cms.hhs.gov with “MAC Provider Experience” in the subject line



Thank You

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