Award of Medicare Administrative Contractor (MAC) Contract for Jurisdiction N

- On April 27, 2022, the Centers for Medicare & Medicaid Services (CMS) announced that First Coast Service Options, Inc. (FCSO) has been awarded a contract for the administration of Medicare Part A and Part B Fee-for-Service claims in Florida, Puerto Rico and the U.S. Virgin Islands (A/B MAC Jurisdiction N). The service area is depicted in gray shading on the map below.

- FCSO’s contract will also include servicing a number of hospitals, skilled nursing facilities, and other institutional providers located across the country.

- This jurisdiction comprises approximately 7.5% of the overall national Medicare FFS Part A and Part B claims volume, equating to more than $22.9 billion in Medicare benefit payments annually. The A/B MAC Jurisdiction N contract will provide Medicare services to more than 248 hospitals, approximately 75,000 physicians, and 2.4 million Medicare Fee-for-Service beneficiaries.

- This contract award concludes another re-competition of a MAC contract under the competitive contracting provisions of the Medicare Prescription Drug, Improvement and Modernization Act of 2003. The previous MAC contract for A/B MAC Jurisdiction N was awarded to FCSO in February 2014.
• This A/B MAC Jurisdiction N contract includes a base year and six option years. The contract is a ‘cost plus award fee’ contract; the award fee will be earned only if FCSO exceeds the base requirements of the contract. Inclusive of all options, the newly-awarded A/B MAC Jurisdiction N contract has a total estimated value of $476,569,855.

• As FCSO is the incumbent contractor for A/B MAC Jurisdiction N, CMS anticipates that implementation of the new contract will go smoothly, with few (if any) disruptions in service for Medicare beneficiaries and providers.

• To support the performance of the newly-awarded MAC contract, FCSO will perform the contract from offices in Jacksonville, Tampa and Miami, Florida; and Mechanicsburg and Pittsburgh, Pennsylvania.

• FCSO will perform Medicare fee-for-service activities including processing claims received from providers and suppliers; appeals; re-openings; provider and supplier enrollment; customer service; provider outreach and education; medical review; and cost report audits.

• CMS has stringent standards for contract performance on these 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 Medicare claims administration contractors, technical approach and past performance will be major evaluation factors.

• Questions about the contract award should be directed to Christopher Hagepanos in CMS’ Office of Acquisition and Grants Management. Mr. Hagepanos may be reached at 410-786-7598 or at Christopher.Hagepanos@cms.hhs.gov.