



HOOPER CORNELL

Consulting and Compliance Services for Home Care & Hospice Providers

Medicare Administrative Contractor (MAC) Announcement:

The Centers for Medicare & Medicaid Services (CMS) recently announced the contract awards for the remaining Medicare Administrative Contractor (MAC) jurisdictions, and these affect Home Health and Hospice providers.

The move to the administrative structure of the MACs will integrate and centralize the business functions – provider enrollment and training, and the processing and payment of claims for services – to one contractor in a given region regardless of the type of service being provided. MACs will administer all claims operations within their jurisdictions for both Part A and Part B, including Home Health, Hospice and DME. These changes result from the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) and should provide efficiencies and other benefits to both beneficiaries and providers alike.

For Home Health and Hospice agencies, the transition from Regional Home Health Intermediaries (RHHI) will begin mid-2009 and are to be completed during the first quarter of 2010. These MAC contracts are effective for five years and are as follows:

Home Health and Hospice Jurisdiction A, included within Jurisdiction 14

States: CT, ME, MA, NH, RI, VT

Outgoing RHHI: National Government Services

Incoming MAC: National Heritage Insurance Corporation

Home Health and Hospice Jurisdiction B included within Jurisdiction 15

States: CO, DE, DC, IA, KS, MD, MO, MT, NE, ND, PA, SD, UT, VA, WV, WY

Outgoing RHHI: Cahaba Government Benefit Administrators

Incoming MAC: Highmark Medicare Services

Home Health and Hospice Jurisdiction C, included within Jurisdiction 11

States: AL, AR, FL, GA, IL, IN, KY, LA, MS, NM, NC, OH, OK, SC, TN, TX

Outgoing RHHI: Palmetto Government Benefit Administrators

Incoming MAC: Palmetto Government Benefit Administrators

Home Health and Hospice Jurisdiction D, included within Jurisdiction 6

States affected: AK, AZ, CA, HI, ID, MI, MN, NV, NJ, NY, OR, WI, WA

Outgoing RHHI: National Government Services

Incoming MAC: Noridian Administrative Services

Home Health and Hospice agencies within Jurisdictions B and D will experience the most changes. Palmetto is retaining administration of the claims workload in Jurisdiction C. According to NAHC, the National Heritage Insurance Corporation has entered into a contract with National Government Services and so Jurisdiction A should experience less transitional challenges.

Part B News (January 12, 2009) reported that earlier transitions with Part B providers that “there were difficulties regarding processing enrollment applications” and that steps were taken to resolve these.



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With the exception of agencies administered by Palmetto, the types of business functions will be changing. That typically involves the transmission of claims files, uploading of ERAs and accessing the FISS/DDE Medicare Online System. You may have to run test scenarios of claims, before transitioning to normal production.

The opportunity is to use this transition as another billing deadline. For example you may be unable to transmit claims electronically, or gain access to DDE to hand-key claims due to transition processing delays. We are not suggesting there will be any, of course, but as a worse case scenario, wouldn't it be a good idea if your AR was a clean and current as possible.



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