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When you receive an initial letter from your Recovery Audit Contractor (RAC), don't panic. However, **do** approach your response in an organized manner. Providers have 45 days to respond to the initial RAC letter. Below are the steps you should take. Some planning should take place proactively before you receive your first RAC letter.

NOTE: While these steps can be applied to other audit types such as ZPICs, etc., the response time for RAC may be different from those other audit types.

Proactive Planning:

- Designate a RAC coordinator and contact person.
- Create a system to track all RAC requests, responses and deadlines.
- Review your current staffing - do you have enough staff to handle the additional work a RAC request could generate? Where can you obtain additional staff if needed?
- Budget for increased supplies, staffing, resources, consultants, legal fees, etc.
- Denote an address (lockbox or specific address) to use for all RAC requests.

Receipt of Initial RAC Letter:

- Stamp the date the letter was received onto all RAC correspondence.
- Label documents received with the request date and the audit ID number.
- Scan RAC correspondence into a shared drive under RAC folder and into a RAC database or software program.

Manage the Audit Process:

- Analyze the request and estimate the number of hours required to comply and compare within the 45 day response required.
- Review your current staffing - do you have enough staff to handle the request? Or will you need to initiate your plan to obtain additional staffing?
- Work with your Release of Information (ROI) Company to discuss the volume of the records needed to comply with the request.
- Estimate the cost and compare with the budget in place for increased supplies, staffing, resources, consultants, legal fees, etc.
- Request an extension if needed.
- Manage time frames to ensure critical deadlines are not missed.

Gather the Requested Information:

- Coordinate with the file clerk and Release of Information (ROI) clerk to process record requests quickly.
- Retrieve records from warehouse, file room and/or the electronic medical record as appropriate.
- Request input of provider, coders and other staff as needed.
- Confirm all information that supports the services coded and billed is assembled.

Process the Records Request:

- Copy or scan all documents being sent to the RAC.
- Double check to ensure that you have adhered to the RAC provider medical record submission requirements.
- If sending via CD, ensure all images are encrypted and password protected.
- Make sure all medical record images are sent in a tamper-proof package.
- Send information via a trackable carrier (FedEx, UPS, DHL registered/certified USPS mail). Request signature confirmation of receipt.

Follow Up:

- Scan the receipt and enter in the designated tracking system.
- Log on to the RAC website to track the receipt of information.
- Stamp the date onto the response letter when the letter is received.
- Organize the RAC decision into issue(s) and decision.
- Locate the references cited in their response letter for their decision(s).
- Determine the impact of the decision on reimbursement.
- Prepare report to present to appropriate staff to determine if an appeal should be initiated.
- Determine if the services of an attorney or consultant are required.
- Note the time you have to respond with an appeal and plan your time accordingly.
- The physician will receive a refund request letter.
- Payment plans can be available if refund request is more than \$1,000.00.
- The overpayment must be sent in the required timeframe even if an appeal is in process.