



## American Medical Association Fact Sheet Medicare Recovery Audit Contractor (RAC) Program Appeals

### Background

Congress created the recovery audit contractors (RAC) program to help the Centers for Medicare and Medicaid Services (CMS) identify improper payments made by Medicare and Medicaid.

The AMA is opposed to the contingency fee structure of the RAC program, and has advocated for numerous changes. While the AMA’s efforts have been successful and contributed directly to improvements to the program, the AMA continues to advocate for further changes that would reduce the burden on physicians.

### Medicare RAC Appeals Process

Physicians who wish to appeal a RAC determination may do so through the Medicare appeals process. In brief, the process is outlined below:

#### Medicare RAC Appeals\*

<i>Appeal Level</i>	<i>Time to Submit Appeal**</i>	<i>Claim Reviewer</i>	<i>Amount in Controversy Required</i>
<b>1. Redetermination</b>	120 days	Medicare Administrative Contractor (MAC), carrier, or Fiscal Intermediary (FI)	None
<b>2. Reconsideration</b>	180 days	Qualified Independent Contractor (QIC)	None
<b>3. Administrative Law Judge (ALJ) hearing</b>	60 days	ALJ	\$130.00 (is raised annually)
<b>4. Medicare Appeals Council review</b>	60 days	The Appeals Council is within HHS	None
<b>5. U.S. District Court</b>	60 days	U.S. District court judge	\$1300.00 (is raised annually)

\*Note that the Medicaid RAC appeals process has not yet been determined by CMS.

\*\*These times run from the last received decision.

For more detailed information on the Medicare RAC appeals process, see the CMS RAC website at <http://www.cms.gov/MLNProducts/downloads/MedicareAppealsprocess.pdf>