

## CONFERENCE CALL ANNOUNCEMENT

### January 12, 2001

*Under Public Law 106-74, The Department of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 2000, the VA is required to conduct by contract a program of recovery audits for the fee basis and other medical services contracts with respect to payment for inpatient care.*

*Amounts collected, by offset or otherwise, are returned to the VAMC after the contractor's fees are paid. The contractor's fee is 33.5% of the collected amount.*

*This contract covers FY 95-00. Overpayments are estimated to be as high as \$25M.*

The acquisition process for this requirement started in February 2000 with contract awarded on December 1, 2000. The contractor, a partnership between Abacus Technology Corporation and Foundation Federal Health Services, begins operations on March 1, 2001.

The contractor and VA are currently "ramping up" operations for this contract. At this time it appears that most of the information that the contractor will require will come from the Austin Automation Center (AAC) and the Health Administration Center (HAC).

After a preliminary review of AAC and HAC data, the contractor will select certain cases for intensive review to determine whether (1) the correct codes were billed to the VA, (2) the correct codes were input by the VA for payment, and (3) the correct payment methodologies were applied. In these cases, medical centers will be asked to provide additional information. We estimate that approximately 28,000 to 30,000 cases (VA-wide) will be identified for review and the possibility exists that there will be the same number of record requests going to VAMCs for action.

Each VISN has a Non-VA Care Coordinator who will assist their medical centers with this contract. In addition, each VAMC is being asked to identify a point of contact.

More information on this effort will be provided in future conference calls in January and February.