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HOSPITAL  
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## **MEDIA STATEMENT**

**October 6, 2008**

### **California Hospitals Look Forward to Constructive Relationship with New Medicare Audit Contractor**

*Hospitals Gratified That Concerns About PRG-Schultz Taken Into Consideration*

*by*

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*President*

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The California Hospital Association (CHA) welcomes today's announcement by the Centers for Medicare and Medicaid Services (CMS) that a new contractor has been selected to work with California hospitals as part of the national roll-out of the Medicare Recovery Audit Contractor (RAC) program.

HealthDataInsights, Inc. of Las Vegas has been selected to work with hospitals in California and several other western states in an effort to identify improper Medicare payments (both overpayments and underpayments). California hospitals fully understand the need for and support auditing programs. The goal of all hospitals is to submit payment claims that are accurate. The auditing program helps ensure that this goal is met.

It is well-known that hospitals in California had challenges during the demonstration stage of the program with the previous program contractor, PRG-Schultz. We are gratified that CMS took our concerns into consideration and selected HealthDataInsights to work with California providers during the permanent, national RAC program.

CHA looks forward to a constructive and productive relationship with HealthDataInsights.

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