

| <b>Recovery Audit National Program– Fiscal Year 2012</b> |                                      |                                       |                                      |                               |
|----------------------------------------------------------|--------------------------------------|---------------------------------------|--------------------------------------|-------------------------------|
|                                                          | <b>FY 2010</b><br>Oct 2009-Sept 2010 | <b>FY 2011</b><br>Oct 2010– Sept 2011 | <b>FY 2012</b><br>Oct 2011– Dec 2011 | <b>Total National Program</b> |
| <b>Overpayments Collected</b>                            | \$75.4M                              | \$797.4M                              | \$397.8M                             | \$1.27B                       |
| <b>Underpayments Returned</b>                            | \$16.9M                              | \$141.9M                              | \$24.9M                              | \$183.7M                      |
| <b>Total Corrections</b>                                 | \$92.3M                              | \$939.3M                              | \$422.7M                             | \$1.45B                       |

**Top Issue per Recovery Auditor (October 2011 – December 2011)**

|                                                      | <b>Overpayment Issues</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Region A:<br/>Diversified Collection Services</b> | <b>Neurological Disorders:</b> (Medical Necessity) Medicare pays for inpatient hospital services that are medically necessary for the setting billed. Medical documentation for patients with neurological disorders needs to be complete and support all services provided in the setting billed.                                                                                                                                                                                       |
| <b>Region B:<br/>CGI, Inc.</b>                       | <b>Cardiovascular Procedures:</b> (Medical Necessity) Medicare pays for inpatient hospital services that are medically necessary for the setting billed. Medical documentation for patients undergoing cardiovascular procedures needs to be complete and support all services provided in the setting billed.                                                                                                                                                                           |
| <b>Region C:<br/>Connolly, Inc.</b>                  | <b>Neurological Disorders:</b> (Medical Necessity) Medicare pays for inpatient hospital services that are medically necessary for the setting billed. Medical documentation for patients with neurological disorders needs to be complete and support all services provided in the setting billed.                                                                                                                                                                                       |
| <b>Region D:<br/>HealthDataInsights</b>              | <b>Minor Surgery and Other Treatment Billed as an Inpatient Stay</b> (Medical Necessity Review): When beneficiaries with known diagnoses enter a hospital for a specific minor surgical procedure or other treatment that is expected to keep them in the hospital for less than 24 hours, they are considered outpatient for coverage purposes regardless of the hour they presented to the hospital, whether a bed was used, and whether they remained in the hospital after midnight. |