

**Award of  
Part A/B Medicare Administrative Contractor (MAC)  
Contract for Jurisdiction K**

- On February 22, 2013, the Centers for Medicare & Medicaid Services (CMS) announced that National Government Services, Inc. (NGS) has been awarded a contract for the administration of Medicare Part A and Part B Fee-for-Service claims in the states of Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island and Vermont. The new A/B MAC contract replaces two separate A/B MAC contracts that were awarded in 2008. CMS issued the solicitation for this contract in May 2012.



- The A/B MAC Jurisdiction K contract will service approximately 217,000 Part B practitioners and suppliers, nearly 500 hospitals and more than 500 home health and hospice providers.
- NGS currently is a Medicare Administrative Contractor for the A/B MAC Jurisdiction 13 (encompassing Connecticut and New York) and the Durable Medical Equipment MAC Jurisdiction B contract (encompassing several Midwestern states). NGS is also in the process of implementing the A/B MAC Jurisdiction 6 contract (encompassing Illinois, Minnesota and Wisconsin).

- NGS holds several other prime contracts and subcontracts relating to CMS programs. NGS is a wholly owned subsidiary of WellPoint, Inc. and is headquartered in Indianapolis, Indiana. NGS' main operational locations are Indianapolis, Indiana; Syracuse, New York; and Harrisburg, Pennsylvania.
- NGS will subcontract with NHIC, Corp. (NHIC) for claims processing support, provider enrollment support and support with addressing CMS' Contractor Error Rate Testing (CERT) program findings. NHIC is headquartered in Hingham, Massachusetts.
- Inclusive of all options, the awarded contract has an estimated value of \$493.2 million. NGS will process approximately 137.5 million Part A and B claims annually.
- This jurisdiction comprises approximately 12.3% of the overall national Medicare Fee-for-Service Part A and Part B claims volume.
- In addition to processing Part A and Part B claims in Jurisdiction K, NGS will perform other critical Medicare operational functions, including enrolling, educating, and auditing Medicare providers.
- The A/B MAC Jurisdiction K contract includes a base year and four option years, for a maximum duration of five years. The contract is a "cost-plus-award-fee" contract; the award fee will be earned only if NGS exceeds the base requirements of the contract.
- CMS has stringent standards for contract performance for Medicare claims contracts. CMS measures performance through a variety of processes, including on-site oversight, data reviews and protocol-driven quality assurance reviews, as well as independent audits. As CMS continues to use the competitive process to select claims administration contractors, past performance and technical approach are major evaluation factors.
- Questions about the contract award should be directed to Bridget Rineker in CMS' Office of Acquisition and Grants Management. Ms. Rineker may be reached at 410-786-0185 or at [Bridget.Rineker@cms.hhs.gov](mailto:Bridget.Rineker@cms.hhs.gov)