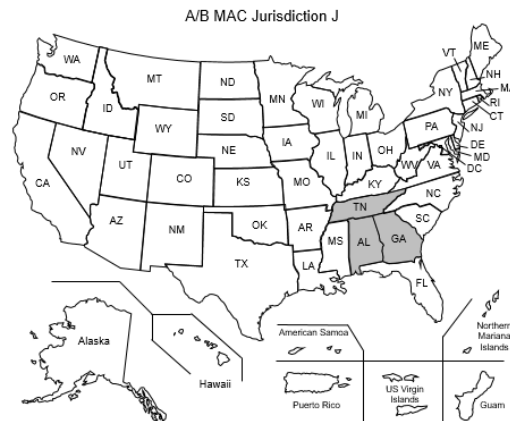


Award of A/B Medicare Administrative Contractor (MAC) Contract for Jurisdiction J

- On August 29, 2024, the Centers for Medicare & Medicaid Services (CMS) announced that Palmetto GBA, LLC (Palmetto) has been awarded the Medicare Administrative Contract (MAC) contract for Jurisdiction J (JJ) for the administration of Medicare Fee-for-Service claims in the states of Alabama, Georgia, Tennessee.
- The service area is depicted in gray shading on the map below. The anticipated effective date of the new contract is September 1, 2024.



- Palmetto’s contract will also include servicing a number of hospitals, skilled nursing facilities, and other institutional providers located across the county.
- This jurisdiction comprises approximately 6.2% of the overall national Medicare FFS Part A and Part B claims volume, equating to more than \$22.4 billion in Medicare benefit payments annually. The A/B MAC Jurisdiction J contract will provide Medicare services to more than 426 hospitals, approximately 66,209 physicians, and over 2 million beneficiaries.
- This contract award concludes another re-competition of a MAC contract under the competitive contracting provisions of the Medicare Prescription Drug, Improvement and Modernization Act of 2003. The previous MAC contract for A/B MAC Jurisdiction J was awarded to Palmetto in September 2017.
- This A/B MAC Jurisdiction J contract includes a base year and six option years. The contract is a ‘cost plus award fee’ contract; the award fee will be earned only if Palmetto exceeds the base requirements of the contract. Inclusive of all options, the newly awarded A/B MAC Jurisdiction J contract has a total estimated value of \$530 million.

- As Palmetto is the incumbent contractor for A/B MAC Jurisdiction J, CMS anticipates that implementation of the new contract will go smoothly, with few (if any) disruptions in service for Medicare beneficiaries and providers.
- To support the performance of the newly awarded MAC contract, Palmetto will perform the majority of this contract's operations from its offices in Columbia, SC. Palmetto will also perform activities in Florence, SC and Birmingham, AL.
- Palmetto will perform Medicare fee-for-service activities, including processing claims received from providers and suppliers, appeals, re-openings, provider and supplier enrollment; customer service, provider outreach and education, and medical review; and cost report audits.
- CMS has stringent standards for contract performance on these MAC contracts and measures performance through a variety of processes, including on-site oversight, data reviews, protocol-driven quality assurance reviews, and independent audits. As CMS continues to use the competitive process to select Medicare claims administration contractors, technical approach and past performance will be major evaluation factors.
- Questions about the contract award should be directed to Mohammed Islam in CMS' Office of Acquisition and Grants Management. Mr. Islam may be reached at 410-786-8156 or Mohammed.Islam@cms.hhs.gov.