



MedAssets Launches Medicare RAC Solution for Hospitals and Health Systems

ATLANTA, Oct 15, 2008 (BUSINESS WIRE) -- MedAssets, Inc. (NASDAQ: MDAS) announced today the release of its Medicare Recovery Audit Contractor (RAC) solution to support healthcare providers' strategies to address RAC audits. The Company's proprietary RAC solution leverages MedAssets' expertise in medical necessity documentation, clinical appeals recovery and Medicare reimbursement management.

MedAssets' comprehensive RAC solution assists providers throughout the entire RAC audit process -- from assessment to appeal -- and provides overall revenue integrity solutions for long-term financial performance improvement. The Company's solution provides a RAC workflow tool that helps hospitals manage RAC audit timelines and activities, automate deadline notifications, track activity and audit historical claims to identify vulnerabilities. In addition, the Company's consulting services assess reimbursement risk and its RAC appeal and recovery services help providers manage, defend and appeal RAC audits.

"Our business is focused on improving financial performance for hospitals and health systems, which is supported by our full suite of revenue cycle management solutions and a core understanding of reimbursement management," said DT Nguyen, president of the revenue cycle management segment, MedAssets, Inc. "Providers face impending Medicare RAC audit programs that have the potential to severely impact their bottom lines. MedAssets' expertise in compliance, Medicare reimbursement and revenue integrity makes us the natural strategic partner to assist providers in achieving their compliance goals."

Beyond reimbursement management, MedAssets' suite of revenue cycle management solutions include concurrent denial management, claims management, contract management, and Web-based data-driven applications that specifically address revenue integrity in the areas of patient estimates, charge capture, and clinical documentation. MedAssets' end-to-end solutions offer providers a means to close the financial gaps created by RAC audits and other Centers for Medicare and Medicaid Services (CMS) initiatives.

Medicare's RAC program is one of multiple initiatives launched by the CMS to stop improper payments before a claim is paid, and identify and recoup improper payments after the claim has been paid. The program has recovered more than \$900 million in Medicare overpayments and nearly \$38 million in underpayments returned to healthcare providers in the three-year RAC demonstration program in California, Florida, New York, Massachusetts, South Carolina and Arizona. According to a September 2008 RAC report, approximately 19.6% of providers appealed their cases, and only 6.8% of audits were overturned on appeal. The RAC program is expected to rollout nationwide by 2010.

About MedAssets

MedAssets (NASDAQ: MDAS) partners with healthcare providers to improve their financial strength by implementing integrated spend management and revenue cycle solutions that help control cost, improve margins and cash flow, increase regulatory compliance, and optimize operational efficiency. MedAssets serves more than 125 health systems, 3,300 hospitals and 30,000 non-acute care healthcare providers. For more information, visit www.medassets.com.

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