
CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

WORKLOAD CLOSEOUT
HANDBOOK
FOR
MEDICARE ADMINISTRATIVE
CONTRACTORS

MEDICARE CONTRACTOR MANAGEMENT GROUP
MARCH 1, 2012

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Substantive Revisions Incorporated into March 1, 2012 Version

The following is a list of the major revisions that have been incorporated into this March 1, 2012 version of the Workload Closeout Handbook for Medicare Administrative Contractors. It should be noted that minor wording, editing, and format changes are not listed below and occur throughout the document.

Chapter 2:

2.1.2; 2.2.2 The term **Contracting Officer's Representative** has replaced Project Officer and Contracting Officer's Technical Representative in this section and throughout the handbook.

Chapter 3:

3.5 Language has been added to emphasize that the closeout team should review applicable lessons learned (Exhibit 10) when developing the closeout project plan.
3.6; 3.6.4 Information has been added regarding segment kickoffs since they may be necessary if there is a consolidation of two existing Mac jurisdictions during the workload transition.

Chapter 4:

4.3; 4.9.1 Updates to the Closeout Project Plan will occur weekly.
4.9.5 The closeout project status report will now be weekly instead of biweekly.
4.9.7 The outgoing MAC will provide monthly workload data (Exhibit 13) for the 12-month period prior to its kickoff (rather than its cutover) and will continue to report monthly until cutover.
4.9.10. Draft file inventory submission requirements have been added to correspond to the Workload Implementation Handbook.
4.9.11 Draft file transfer plan submission requirements have been added to correspond to the Workload Implementation Handbook.
4.10.4 The Project Status Meeting section has been revised to reflect a weekly occurrence.

Chapter 5:

5.8.1 Emphasis has been added to insure that all parties are in agreement with early boarding activities.
5.8.2 Additional information has been added regarding procedures for handling the newly revised CMS-588 EFT form.
5.11 A new section has been added to discuss stop work dates at cutover.
5.14.1 A paragraph has been added regarding the sharing of listserv information.

Chapter 6:

6.2 Language has been revised regarding the joint development of the cutover plan.
6.8 Additional information on HIGLAS pay forward procedures has been provided.
6.10.5 Information regarding workload counts at cutover has been added.
6.13.4 Additional information is provided regarding access to CMS systems after cutover for any outgoing MAC employees hired by the incoming MAC.

Exhibit 7: The exhibit was updated to reflect the changes described in Chapters 2 and 4.

Exhibit 10: The lessons learned exhibit was updated with a January 2012 document.

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Chapter 1: INTRODUCTION

1.1 Workload Closeout Handbook for MAC Jurisdictions

The Workload Closeout Handbook for Medicare Administrative Contractors (MACs) was prepared by CMS to assist an outgoing MAC whose contract is ending with the transfer of Medicare claims processing and administrative functions to an incoming MAC. The handbook represents a compilation of best practices, lessons learned, and over 30 years of CMS experience in overseeing Medicare workload transitions. It describes the basic responsibilities and processes required by the MAC to close out its Medicare contract activities and to assist the incoming MAC in its efforts to assume Medicare claims processing and administration functions. While both the incoming and outgoing MAC are responsible for accomplishing various activities during the transition, this handbook is intended for use by the departing Medicare Administrative Contractor. A similar Workload Implementation Handbook for MAC Jurisdictions has been developed for the incoming MAC.

This handbook applies to all Medicare Administrative Contractors—Part A/Part B and Durable Medical Equipment (DME)—that are involved in a MAC-to-MAC workload transition. Transitions involving outgoing carriers and intermediaries are covered in a Legacy-to-MAC version of the Workload Closeout Handbook. In this document, information and activities apply to both Part A/Part B and DME MACs, unless otherwise indicated; however, there may be instances where items specific to each are not designated as such.

Every Medicare workload transition will vary depending on the unique circumstances and environment of the Medicare Administrative Contractors involved. There may be activities and processes described in the handbook that will not be applicable to a specific workload closeout. There may also be activities that will need to be performed that the handbook does not cover. The handbook cannot identify and address all of the variations that may occur during a workload transition, nor all of the tasks for which the outgoing MAC will be responsible. However, it will provide the framework for a successful workload closeout and guidance in addressing situations as they arise.

It should be noted that this handbook is written from the perspective of a MAC who is leaving the Medicare program. Not all of the activities described in the handbook will be applicable to a MAC that is only moving a portion of its workload to an incoming MAC and will continue to process Medicare claims under another contract.

This **March 1, 2012** version of the Workload Closeout Handbook for Medicare Administrative Contractors is comprised of **7** chapters, **14** exhibits, and an index. It supersedes all other versions.

1.1.1 *Chapters*

1. **Chapter 1: Introduction** provides an introduction to the Handbook and the goals for a successful workload transition.
2. **Chapter 2: CMS Organization** provides information on the duties and responsibilities of CMS's transition oversight staff.
3. **Chapter 3: Getting Started** describes the activities that are necessary to start the workload closeout process. It discusses establishment of the closeout project team, kickoff meetings, and the organization and function of transition workgroups. The chapter also addresses initial notification activities.
4. **Chapter 4: Project Management** discusses the various tasks necessary to manage the closeout process. This includes developing the Closeout Project Plan, risk management, communications, and meeting and reporting requirements.
5. **Chapter 5: Closeout Activities and Interaction with the Incoming MAC** deals with the approach that an outgoing MAC may take for its closeout operations and the type of information that should be provided to assist the MAC in its implementation. It discusses personnel issues, file transfer activities, and assisting the incoming MAC in its communication efforts. In addition, the chapter provides information on asset inventory, disposition of assets, and security.
6. **Chapter 6: Cutover and Post-Cutover Activities** covers the activities associated with final preparations for the operational closeout and the migration of files, records, and data (both physical and electronic). The chapter also provides information on cutover plans, system dark days, lessons learned, and post-cutover reporting.
7. **Chapter 7: Financial Processes** provides information on the development of closeout costs and the financial activities required to transfer the Medicare workload. It discusses financial reporting, banking activities, the accounts receivable reconciliation, audits, and 1099 responsibilities.

1.1.2 *Exhibits*

- Exhibit 1 Transition Phases and Terminology**
- Exhibit 2 MAC Contract Administrative Structure**
- Exhibit 3 Sample Closeout Project Plan**
- Exhibit 4 Outgoing MAC Information/Documentation**
- Exhibit 5 Files to be Transferred to a Medicare Administrative Contractor**
- Exhibit 6 Workload Transition Meeting and Documentation Guide**

- Exhibit 7 Sample Workload Report**
- Exhibit 8 Sample Staffing Report**
- Exhibit 9 Sample Financial Closeout Letter**
- Exhibit 10 Workload Transition Lessons Learned**
- Exhibit 11 Glossary**
- Exhibit 12 Acronyms**
- Exhibit 13 Sample Baseline Workload Templates**
- Exhibit 14 File and Record Transfer Plan Contents**

1.1.3 *Index*

The index is found at the end of the handbook.

1.2 Transition Phases

While there are multiple parties involved in a Medicare workload transition, there are three major participants: the incoming MAC, the outgoing MAC and CMS. Each transition has three major phases or periods. For an outgoing MAC, the three major phases of a Medicare workload transition are identified as: operations (normal Medicare activities prior to the award of a new MAC contract for the jurisdiction), closeout, and post-cutover.

Transition activities in the **operations phase** are generally not extensive and are largely dependent upon whether or not the outgoing MAC submitted a proposal for its jurisdiction. If a proposal was submitted, there would not be significant transition activity and normal Medicare operations would continue until the MAC contract was announced. However, if the outgoing MAC did not submit a proposal for its jurisdiction, then it may take some initial steps described in this handbook to prepare for the closeout phase.

The **closeout phase** begins at contract award of the MAC jurisdiction and ends at the outgoing MAC's operational cutover to the new MAC. During this time the outgoing MAC works with the incoming MAC to transfer Medicare data, records, and functions and to shut down its Medicare operation.

The **post-cutover phase** begins at the cutover and continues until the contract period of performance ends. This is the period when the outgoing MAC closes out the financial and reporting aspects of its contract.

While this handbook provides information for all three phases, its focus is on the **closeout** and **post-cutover** phases of the outgoing MAC's transition. **Exhibit 1, Transition Phases and Terminology**, provides a graphic representation of terminology used for the major transition participants.

1.3 Terminology

For purposes of this handbook, the Medicare Administrative Contractor who will be assuming the Medicare functions of the outgoing MAC is referred to as the “**incoming MAC**” or “**IMAC**” (*eye-mack*). Both terms are used interchangeably.

The MAC that is ending its contract and transferring its Medicare functions to a new MAC is referred to as the “**outgoing MAC**” or “**OMAC**” (*oh-mack*). Both terms are used interchangeably.

Any reference to a MAC pertains to both Part A/Part B and DME Medicare Administrative Contractors, unless otherwise noted.

The term “**Medicare claims processor**” refers to any entity that processes Medicare claims; i.e., an incoming MAC, an outgoing MAC, a carrier, or an intermediary. Carriers and intermediaries are also known as “**legacy contractors**.”

A “**workload transition**” is defined as the period of time that encompasses the movement of Medicare operations and functions and workload from an outgoing MAC to an incoming MAC. The term “**implementation**” is used for those activities performed by the incoming MAC during a workload transition. The term “**closeout**” is used for those activities performed by the outgoing MAC during a workload transition.

A “**jurisdiction consolidation**” is the consolidation of two numbered jurisdictions into a single alpha-designated jurisdiction (e.g., Jurisdiction 13 and Jurisdiction 14 combined to form Jurisdiction K).

The term “**provider**” is used in the broad sense of the word, meaning anyone providing a Medicare service; i.e., institutional provider (hospital, skilled nursing facility, rural health clinic, federally qualified health center, or home health agency), physician, non-physician practitioner, or supplier.

The term “**deliverable**” is used in two different manners:

It may refer to a document or information that is being requested from the outgoing MAC or other party involved in the transition as a result of the incoming MAC's due diligence or workgroup activities. The request is recorded on a Deliverables List.

The term also refers to a deliverable required as part of the MAC contract. This contract deliverable may be any information, data, report, document, item, service, etc. that the

MAC is contractually required to provide to CMS. Contract deliverables are found in Section C (statement of work) or Section F of the MAC contract schedule.

1.4 Goals of a Successful Workload Transition

All of the organizations involved in a workload transition have a responsibility to ensure that the transition is conducted properly and that their contractual obligations are met. While each participant has different roles and responsibilities during a transition, the goals remain the same:

- There is minimal disruption to beneficiaries;
- There is minimal disruption to providers, physicians and suppliers;
- There is no disruption of claims processing and Medicare operations;
- The transition is completed on schedule within the required time period;
- Actual costs represent effective and efficient use of resources; and,
- All parties with an interest in the transition (whether direct or indirect) are kept informed of the transition's status and progress.

In order to accomplish these goals, there must be proper project planning and management by the incoming MAC, maintenance of existing Medicare operations by the outgoing MAC, and comprehensive oversight by CMS. All parties involved in the transition must cooperate fully and communicate constantly with all other parties at every level. This handbook will help the outgoing MAC achieve the abovementioned transition goals and meet its contractual obligations as it closes out its Medicare operations and contract.

Chapter 2: CMS ORGANIZATION

CMS will have a number of individuals responsible for overseeing the closeout activities of the outgoing MAC and the implementation activities of the incoming MAC. Listed below are the individuals that the outgoing MAC will have ongoing contact with regarding its closeout work, along with a description of their responsibilities. Also discussed are the individuals who will be responsible for monitoring the incoming MAC's implementation. A CMS administrative organizational chart for the MAC contracts is shown in **Exhibit 2, MAC Contract Administrative Structure**.

2.1 CMS Contract Administration Personnel – Outgoing Medicare Administrative Contractor

The following individuals will be responsible for monitoring the operational and/or closeout activities of the outgoing Medicare Administrative Contractor. They will also interact with the incoming MAC and the Implementation Lead discussed in **Chapter 2.2.3** during various meetings and workgroups.

2.1.1 *Outgoing MAC Contracting Officer*

The outgoing MAC Contracting Officer (outgoing CO or OCO) has the administrative responsibility for the outgoing MAC contract. He/she has the overall responsibility for the outgoing MAC's activities involving the transfer of Medicare data, files, and operations to the incoming MAC and the activities associated with the closeout of its Medicare contract. The OCO will normally have a Contract Specialist to assist with the contractual administration of the MAC contract.

2.1.2 *Outgoing MAC Contracting Officer's Representative (COR)*

The outgoing MAC Contracting Officer's Representative (outgoing COR or OCOR) is responsible for monitoring the day-to-day operational activities of the outgoing MAC and will be responsible for ensuring that the outgoing MAC continues to maintain its overall operation and performance during the closeout period. The outgoing COR (or a designated member of the OCOR's Contract Administration Team) will work with the Implementation Lead (**Chapter 2.2.3**) and ensure that the outgoing MAC performs all of its required closeout activities and fully cooperates with the incoming MAC during the transition. The outgoing COR also assists the outgoing CO in the closeout of the MAC's contract. The Contracting Officer's Representative position was formally known as the Contracting Officer's Technical Representative (COTR) and prior to that was known as the Project Officer (PO).

2.1.3 *Business Function Lead*

A Business Function Lead (BFL) may be called upon to assist either the outgoing or incoming MAC Contracting Officer's Representative, depending on the transition activity. BFLs are normally located in CMS Central Office and will assist the COR in the administration of the MAC contracts on an as needed basis. The BFL acts as the technical representative for their specific business function within the Medicare claims processor contracts. They will assist the COR with specific functional inquires and technical issues. They may also monitor technical progress, analyze deliverables, and perform technical evaluations and inspections. In addition, BFLs will review monthly invoices and vouchers pertaining to their functional area and make payment recommendations to the COR. **BFLs do not have the authority to provide technical direction or make any contractual commitments or changes on behalf of CMS.**

2.1.4 *Technical Monitor*

Technical Monitors (TMs) are Regional Office personnel who may provide information on contractor performance and help the Contracting Officer's Representative resolve issues, particularly those from beneficiaries and providers. The TM may assist the BFL in performing technical evaluations and inspections and may also provide input to monthly and quarterly contract administration meetings. In addition, Technical Monitors may perform on-site validations of accounts receivables and debts. **TMs do not have the authority to provide technical direction or make any contractual commitments or changes on behalf of CMS.**

2.2 **CMS Contract Administration Personnel – Incoming Medicare Administrative Contractor**

The following individuals will be responsible for monitoring the implementation and/or operational activities of the incoming MAC. They will interact with the outgoing MAC in various meetings and workgroups, but will not be responsible for the outgoing MAC's closeout activities during the transition. In addition, Business Function Leads and Technical Monitors may also assist in the monitoring of the incoming MAC's implementation activities.

2.2.1 *Incoming MAC Contracting Officer*

The incoming MAC Contracting Officer (incoming CO or ICO) has the overall responsibility for the incoming MAC and is the only person authorized to enter into and bind the government by contract. He/she is the individual that negotiates and prepares the MAC contract document, modifies any terms or conditions of the contract, accepts delivered services, and approves invoices for payment. The ICO will normally have a Contract Specialist to assist with the contractual administration of the MAC contract.

2.2.2 Incoming MAC Contracting Officer's Representative

The incoming MAC Contracting Officer's Representative (incoming COR or ICOR) serves as the first point of contact for the incoming MAC. He/she is the focal point for the exchange of information and the receipt of programmatic approvals on deliverables and other work under the MAC contract. The ICOR is the technical representative of the incoming MAC Contracting Officer and provides technical direction to the incoming MAC for all of the business functions contained in the MAC statement of work. He/she also monitors the contract performance of the incoming MAC and reviews payment invoices. The ICOR may designate various business function leads (BFLs) and technical monitors (TMs) to support the administration of the MAC contract. The Contracting Officer's Representative position was formally known as the Contracting Officer's Technical Representative (COTR) and prior to that was known as the Project Officer (PO).

2.2.3 Implementation Lead (IL)

The Implementation Lead (IL) will represent the incoming COR during the incoming MAC's implementation and will serve in a specialized technical capacity. As such, he/she will provide technical guidance and direction to the incoming MAC on implementation activities. The IL will manage CMS's oversight of the transition and will coordinate incoming MAC implementation activities with the outgoing COR and the functional contractors' CORs. The Implementation Lead will also work with the Medicare Implementation Support Contractor (MISC) to monitor and oversee the progress of the incoming MAC's implementation and the related activities of the functional contractors involved in the transition.

The IL will work with Business Function Leads (BFLs) or Technical Monitors (TMs) concerning implementation issues. He/she will also coordinate implementation activities with the CORs of the functional contractors involved in the MAC implementation. The Implementation Lead will conduct problem solving/trouble shooting during the transition and be responsible for reporting to senior management. In addition, the IL will review vouchers for jurisdiction implementation activities and provide recommendations to the incoming MAC COR and the MISC Government Task Leader, if requested.

2.2.4 Medicare Implementation Support Contractor

Because of the number of implementations and the limited staff available for oversight, CMS has entered into a contract with Chickasaw Nation Industries (CNI) for a Medicare Implementation Support Contractor (MISC). The MISC will provide the project management support and oversight services necessary for CMS to monitor the implementation activities of the MACs and functional contractors.

The MISC will assign a business analyst (BA) to each MAC implementation. The MISC will have direct access and interaction with the IMAC and OMAC staff involved in the implementation. The BA will be a member of transition workgroups and attend all

meetings associated with those workgroups. He/she will also attend general jurisdiction status meetings and teleconferences. The BA will work closely with the Implementation Lead to ensure successful completion of the implementation.

The MISC will share comments, concerns and recommendations directly with the IMAC when appropriate. However, **the MISC does not have authority to provide technical direction to any Medicare Administrative Contractor.**

The MISC Government Task Leader (GTL) will be primarily responsible for managing the MISC task order under the CNI contract. The GTL represents the incoming MAC Contracting Officer's Representative for the technical aspects of the Medicare implementation support activities under the CNI contract and may provide technical direction under the auspices of the ICOR. The GTL will interact with the Implementation Lead throughout the implementation to obtain information on the MISC's performance and resolve any issues that may occur.

Chapter 3: GETTING STARTED

3.1 Award Notification

The incumbent MAC will be notified by CMS when the contract for its jurisdiction has been awarded. This will occur immediately after the successful offeror is informed of its contract award for the jurisdiction. Notification will begin the closeout phase of the MAC's contract and the incumbent will become the outgoing MAC.

The outgoing MAC Contracting Officer or Contracting Officer's Representative will meet with the MAC to discuss the general aspects of the incoming MAC's proposal, the transition schedule, and any effects the schedule may have on the outgoing MAC's contract. He/she will discuss the incoming MAC's proposed implementation timeline and determine if there are any initial problems from the outgoing MAC's perspective. Initial closeout activities, the kickoff meeting, and CMS expectations for the transition will also be discussed. If applicable, the outgoing CO/COR will provide information on any plans the incoming MAC may have for a turnkey operation or hiring severed OMAC personnel.

3.2 Public Announcement

CMS may issue a public announcement regarding the award of the MAC jurisdiction contract. The outgoing MAC may also wish to issue an announcement regarding the cessation of its Medicare claims processing operation in the jurisdiction. The announcement should include assurances that the outgoing MAC will work closely with the incoming MAC during the transition and that service to Medicare beneficiaries and providers will not be disrupted. Any public notification should be reviewed by CMS prior to its release.

3.3 Initial Contact with Incoming MAC

After the successful and unsuccessful offerors have been notified, the incoming MAC will be in contact with the outgoing MAC. The contact call will normally be made by upper management and will serve as an introduction to the new MAC. The incoming MAC's proposal may be discussed in general terms, especially if the MAC has interest in the outgoing MAC's staff and/or facilities. Other areas of discussion may include communication, commitment of the organizations, the transition schedule, and any immediate problems or issues that need to be addressed before the kickoff meeting.

3.4 Employee Notification

After the outgoing MAC is aware of the general provisions of the incoming MAC's proposal, it should schedule a meeting with all of its affected Medicare employees. The purpose of this meeting is to provide information about the transition and to inform employees about the status of their jobs.

If the IMAC has indicated that it would like to hire some or all of the outgoing MAC's staff, employees should be provided with as much information as is known about the IMAC's intentions. Employees should also be informed about any jobs that may be offered in other Medicare or non-Medicare areas of the outgoing MAC's organization. Should jobs not be available in other areas, or if employees will not have jobs offered to them by the incoming MAC, information on severance pay, possible retention bonuses, outplacement services, and other corporate benefits should be provided as soon as possible.

3.5 Closeout Project Team

The outgoing MAC will need to form a project team that will be responsible for closeout activities. The team's purpose is twofold: 1) to work directly with the incoming MAC to accomplish the orderly transfer of Medicare data, records, and functions to that MAC; and 2) to take the necessary steps to close out the outgoing MAC's Medicare contract. The team should be comprised of a Closeout Project Manager and experienced personnel representing the various functional areas of the outgoing MAC's Medicare operation. Closeout team staff will be assigned to participate in the transition workgroups that will be formed (see **Section 3.7**).

Once assignments have been made, an internal meeting with all team members should be held in order to plan and prepare for the closeout and upcoming kickoff meetings. An organization chart and contact list should be developed and initial discussions should take place regarding the development of the MAC's Closeout Project Plan (see **Chapter 4.3**). Administrative details and procedures for meetings and communications should also be finalized. It is strongly suggested that team members review applicable portions of **Exhibit 10, Workload Transitions Lessons Learned** and incorporate lessons learned into its Closeout Project Plan and closeout activities.

3.6 Jurisdiction Kickoff

The jurisdiction kickoff is normally composed of 3-5 separate meetings that may be conducted over a several day period. The kickoff is intended for all parties involved in the transition, but not all parties will attend every meeting. There will be a minimum of three meetings held at kickoff: the **incoming MAC pre-meeting**, the **outgoing MAC pre-meeting**, and the general **jurisdiction kickoff meeting**. In addition, the incoming MAC **post-award orientation conference** that is conducted by the IMAC Contracting Officer may be held as part of the kickoff, if the conference has not already been held.

The jurisdiction kickoff may also include a **segment kickoff meeting** if the implementation will be a jurisdiction consolidation and the incoming MAC is not the incumbent MAC for either jurisdiction. If this situation does not occur, the segment kickoff activities described in **Chapter 3.6.4** below will become part of the general jurisdiction kickoff meeting.

Usually, the outgoing MAC will only need to attend the outgoing MAC pre-meeting and the general jurisdiction kickoff meeting. However, OMAC would also attend a segment kickoff meeting for its jurisdiction if abovementioned situation occurred.

Jurisdiction kickoff is generally held within **30 days** of contract award or the effective date of the contract after a protest has been resolved. The meetings will be held in the Baltimore, Maryland metropolitan area, unless CMS determines another location would be more appropriate. The IMAC will be responsible for providing facilities for all of the jurisdiction kickoff meetings that will take place, providing toll-free phone lines for off-site participants, developing an agenda (with input from other participants), and notifying potential attendees. In the unlikely event that the kickoff would be held at a CMS facility, then CMS would be responsible for making facility and teleconferencing arrangements. Meeting minutes and an attendance sheet/contact list shall be prepared by the incoming MAC and sent to all those in attendance.

Normally, each of the meetings held during the jurisdiction kickoff can be completed in a half day (3-4 hours of concentrated meeting time). The exception would be the post-award orientation conference, which generally takes 1-2 hours. In-person attendance at each of the meetings will vary, depending on a number of factors. However, the general jurisdiction kickoff meeting will draw the largest number of attendees (usually 30-40 people).

3.6.1 Outgoing MAC Pre-Meeting

This meeting is conducted by CMS with the outgoing MAC and is normally held prior to the general jurisdiction kickoff meeting. Since the outgoing MAC will be present to attend the jurisdiction kickoff meeting, the pre-meeting provides an opportunity for CMS to discuss topics of importance related to a MAC leaving the Medicare program or losing a portion of its overall Medicare workload. The pre-meeting provides a forum for outgoing MAC issues that would not be relevant to discussions in the general kickoff meeting.

The outgoing MAC pre-meeting may be scheduled before or after the incoming MAC pre-meeting, but generally both meetings are held concurrently. The meeting will be conducted by the outgoing MAC Contracting Officer and attended by the outgoing MAC COR, functional contractors, and various CMS transition staff.

Topics may include:

- Anticipated transition schedule, possible modifications, and cutover date, along with corresponding contractual issues;
- Development of a Closeout Project Plan;
- CMS project reporting and meeting requirements;
- Medicare Implementation Support Contractor (MISC);
- CMS Workload Closeout Handbook;
- Possible employment of outgoing MAC staff by incoming MAC;
- Workload maintenance/reduction plans;
- Deliverables list from incoming MAC;
- Incoming MAC due diligence/on-site visits;
- Workgroup discussions: number of workgroups, meeting times, toll-free numbers;
- Accounts receivable review;
- Closeout costs;
- Operational/staffing issues
- Disposition of assets;
- File storage and transfer procedures;
- Performance of contractual obligations; e.g., completion of audits;
- Lessons learned from previous MAC transitions
- Post-cutover financial and workload reporting; and
- Areas of immediate focus: communications/provider relations, operational continuity, asset inventory, file transfer, cutover, etc.

3.6.2 *Incoming MAC Pre-meeting*

The incoming MAC pre-meeting is conducted by CMS with the incoming MAC. The Medicare Implementation Support Contractor (MISC) is also in attendance. The meeting deals with information that pertains exclusively or primarily to the incoming MAC and will be held before the general jurisdiction kickoff meeting. The meeting will review the project schedule and cutover, discuss issues that have arisen since contract award, emphasize CMS's expectations and administrative requirements for the project, and make final preparations for the conduct of the jurisdiction kickoff meeting.

3.6.3 *Jurisdiction Kickoff Meeting*

While the other kickoff meetings will have limited audiences, the jurisdiction kickoff meeting is intended for all parties involved in the MAC transition. This meeting is sometimes referred to as the general kickoff meeting.

3.6.3.1 Purpose

The purpose of the jurisdiction kickoff meeting is to understand, organize, and coordinate activities among all parties involved in the transition. It provides the opportunity for all parties to meet face-to-face to review the project expectations, discuss roles and responsibilities, and address any concerns. The meeting will help ensure that there is agreement among all participants regarding the tasks involved, roles and responsibilities,

project assumptions, and schedule. Any emerging issues and/or changes that have occurred since contract award will be discussed, as will any lessons learned from recent workload transitions.

3.6.3.2 Participants

All parties directly involved in the jurisdiction transition will be invited to attend the jurisdiction kickoff meeting. This includes CMS, the MISC, appropriate incoming and outgoing MAC personnel, applicable EDC and any MAC data centers, any front-end contractors, CWF, shared system maintainers (FISS, MCS, VMS), HIGLAS, Zone Project Integrity (ZPIC)/Program Safeguard Contractor (PSC), Qualified Independent Contractor (QIC), Beneficiary Call Center (BCC), etc. For DME MAC transitions, the National Supplier Clearinghouse (NSC), Pricing and Data Analysis Contractor (PDAC), and Common Electronic Data Interchange contractor (CEDI), would also be extended an invitation. Attendance may be in person or via teleconference. Toll-free teleconference lines will be available for individuals or organizations that cannot attend in person.

3.6.3.3 Topics of Discussion

The jurisdiction kickoff meeting will give a high level overview of the transition project. It will also address transition issues that may need immediate attention, such as human resources, connectivity, provider communications, and file transfer/storage. The incoming MAC will be requested to make a corporate introduction, describe its Medicare organization, and discuss its implementation team and structure. The incoming MAC's Jurisdiction Implementation Project Plan (JIPP) will be distributed and an overview of the plan will be presented. The outgoing MAC will make a similar presentation regarding its organization, Closeout Project Plan, and closeout team structure. The OMAC will also discuss any pilot projects and unique working relationships or workloads. **It is critical that the incoming and outgoing MACs coordinate their project plans to ensure that all transition tasks are covered, responsibility is acknowledged, and that there are no date or task schedule conflicts.**

Other entities involved in the project will also be asked to provide an overview of their transition activities and interactions with the incoming and outgoing MACs. In addition, CMS will discuss its transition expectations, review reporting and meeting requirements (**Chapters 4.9** and **4.10**), and present its transition team organization.

The incoming MAC's due diligence review of the outgoing MAC will be discussed, as will the deliverables that are being requested. Proprietary issues regarding the IMAC's interaction with the OMAC should also be discussed. The incoming MAC may have developed a preliminary Deliverables List that will be distributed to the outgoing MAC. The Deliverables List will serve as documentation of all the information the incoming MAC is requesting from the outgoing MAC in order to facilitate the transfer of the Medicare workload (see **Chapter 5.6**). The coordination of communication activities will also be discussed.

Transition workgroups will be a key topic of discussion at the meeting (see **Chapter 3.7** following). The incoming MAC must work with the outgoing MAC and other attendees to establish transition workgroups and agree on their basic responsibilities. These workgroups and their functions will normally be in place for the entire transition. Each outgoing MAC involved in the transition will have to structure its closeout activities utilizing the appropriate workgroups. Therefore, it is critical that agreement be reached with the incoming MAC as to what workgroups will be established and the major responsibilities of each. The incoming MAC will request a workgroup contact list (name, telephone number, e-mail address, office location, etc.) from the outgoing MAC and any other organization that will have membership in a transition workgroup.

During the jurisdiction kickoff, there should be breakout sessions of the various workgroups with as many members as possible. If there are not enough workgroup members available, a date and time should be agreed upon for the group to initially meet and organize. The breakout session will provide the opportunity for workgroup members to begin brainstorming, discuss transition strategy, and address any immediate issues. The group should also review implementation documents such as the JIPP, deliverables that have been requested, dependencies, and any action items already identified in order to better define and develop the direction of the workgroup. Members should also discuss methods for accomplishing their workgroup tasks. The workgroup should try to reach agreement on administrative details such as each organization's designated points of contact and meeting/teleconference dates and times.

Any deliverable, action item, or issues log that is developed or added to an existing document as a result of the kickoff meetings will be distributed to the outgoing MAC as soon as possible. After all of the jurisdiction kickoff meetings are completed, the outgoing MAC should review its Closeout Project Plan and schedule, and make any appropriate revisions based on the discussions that took place during the meetings.

3.6.4 Segment Kickoff

If there is a jurisdiction consolidation and the incoming MAC is not the incumbent MAC for either jurisdiction, the implementation will have two workload segments, each representing an alpha or numeric jurisdiction. The segment kickoff represents the formal start of the process of moving Medicare data, records, and operations from an outgoing MAC to the incoming MAC. It will be similar to the jurisdiction kickoff meeting in concept, but will be focused on the detailed technical and functional activities required for a specific segment transition.

3.6.4.1 Purpose

The segment kickoff meeting allows all parties involved in a specific segment transition to meet face-to-face to review the project expectations, discuss roles and responsibilities, and to organize and coordinate activities. The meeting will also help ensure that there is agreement among all participants regarding the tasks involved, project assumptions, and schedule. In addition, any segment-specific emerging issues and/or changes that have

occurred since contract award will be discussed, as will any lessons learned from prior segment transitions within the jurisdiction or other jurisdictions. Organizations that cannot attend in person may do so by teleconference.

3.6.4.2 Preparation

The incoming MAC will be responsible for setting up the kickoff meeting for each segment implementation within its jurisdiction and shall consult with CMS regarding the time and location of such meetings. The first segment kickoff meeting normally will be held as part of the jurisdiction kickoff, but there may be circumstances that dictate that the meeting be held at a later time. The subsequent segment kickoff meeting should take place within **10-15 days** of the scheduled start date of the segment implementation. A segment kickoff meeting that is not held as part of the jurisdiction kickoff will normally be conducted via teleconference.

The IMAC will be responsible for setting up the segment kickoff meeting, providing toll-free phone lines for off-site participants, developing an agenda (with CMS input), and notifying attendees. Meeting minutes and an attendance/contact list shall be prepared by the incoming MAC and sent to all those in attendance.

3.6.4.3 Participants

All parties directly involved in the segment transition will be invited to attend: CMS, MISC, appropriate technical and operational IMAC personnel, the outgoing MAC for the jurisdiction segment, representatives from the applicable data center(s), shared system maintainers, any front-end contractor, IT services companies, and functional contractors (e.g., PSC, QIC, BCC). Key members of the outgoing MAC's closeout project team should be in attendance including anticipated workgroup members.

Since detailed information and operational procedures may be discussed, attendance at the segment kickoff meetings should include more technical and functional experts than necessarily would be in attendance at the jurisdiction kickoff meeting. The outgoing MAC must have representatives present with the authority to establish project commitments and approvals on behalf of the organization.

3.6.4.4 Topics of Discussion

The IMAC will make a corporate introduction, describe its Medicare organization, and discuss its implementation team and structure. This presentation would be similar to the one made at the jurisdiction kickoff meeting, but geared to the specific segment implementation. The draft Segment Implementation Project Plan (SIPP) should be distributed and an overview of the plan and the IMAC's implementation approach provided. Input from attendees will be used by the incoming MAC to prepare the "baseline" SIPP that will be submitted to CMS within **30 days** of the meeting.

The outgoing MAC will make a presentation regarding its organization, closeout plan, and project team. The OMAC should also discuss any pilot projects, unique working relationships or workloads, and situations where there may be commingled files or data. CMS will discuss its transition organization and team and review meeting/reporting requirements (see **Chapters 4.10** and **4.11**). The meeting should also cover areas of the transition that need immediate attention, such as human resources, connectivity, and industry/provider communications.

It is critical that the incoming and outgoing MACs coordinate their project plans to ensure that all transition tasks are covered, responsibility is acknowledged, and that there are no date or task schedule conflicts.

The jurisdiction kickoff meeting will have already established the individual transition workgroups and the scope of their functions. If possible, there should be breakout sessions of the various workgroups during the segment kickoff. If there are not enough workgroup members available, a date and time should be agreed upon for the group to initially meet and organize.

The breakout session will provide the opportunity for workgroup members to begin brainstorming, discuss transition strategy, and address any immediate issues. The group should also review implementation documents such as the JIPP and SIPP, deliverables that have been requested, dependencies, and any action items already identified in order to better define and develop the direction of the workgroup. Members should also discuss methods for accomplishing their workgroup tasks. The group should try to reach agreement on administrative details such as each organization's designated points of contact and workgroup meeting/teleconference dates and times, if possible.

After each segment kickoff meeting has been completed, the IMAC should review the project schedule, the JIPP/SIPP, the risk management plan, and communication plan to make any appropriate revisions based on the discussions that took place. Any deliverable, action item, or issues log that is developed or added to an existing document as a result of the kickoff meetings should be distributed as soon as possible.

3.6.5 Post-Award Orientation Conference

A post-award orientation conference between the incoming MAC and the incoming MAC Contracting Officer may be held during the jurisdiction kickoff. If it is, the meeting will normally be part of the incoming MAC pre-meeting (**Chapter 3.6.2**), but it could be held separately. The purpose of the conference is to review contract provisions and administrative requirements.

3.7 Transition Workgroups

Transition workgroups are the basic organizational structure for conducting the day-to-day activities of the transition. They have proven to be the key to a successful workload transition.

3.7.1 General

Transition workgroups are established to facilitate the process of transferring the outgoing MAC's Medicare workload to the incoming MAC. The scope of a particular workgroup may vary from one workload transition to another for a variety of reasons, but there must be agreement between the incoming and outgoing MACs as to what workgroups will be established and what their specific responsibilities will be. Workgroups are generally established for infrastructure activities (facilities, hardware, human resources, telecommunications, etc.), functional program areas (financial, audit and reimbursement, medical review, etc.), and overall project administration tasks (project management, financial, etc.).

3.7.2 Participants

Experienced staff from the incoming and outgoing MACs and other involved organizations will be assigned to the various workgroups. Of course, the outgoing MAC will only participate in a workgroup if it has some involvement with a particular workgroup's function. CMS or the MISC will normally be represented on every workgroup. The MACs should attempt to keep the same workgroup members for the duration of the implementation, especially the workgroup heads. The incoming MAC will be responsible for appointing the workgroup head. The OMAC representative on a workgroup will be responsible for updating any tasks related to the workgroup that are listed in the Closeout Project Plan (CPP). He/she will also insure that requested outgoing MAC information and deliverables are provided to the workgroup.

3.7.3 Scope

The scope or area of responsibility for the individual workgroups will vary depending on a number of factors such as the MAC's organization or business structure, operational processes, workflow structure, or project plan/approach. The actual number of workgroups will vary from transition to transition, but it has been found that 8-10 workgroups generally work best. Workgroups have been established for the areas shown below, but occasionally, more specialized workgroups have been established. Some contractors have found it advantageous to establish subgroups within a workgroup to focus on specific areas or issues. Contractors have also combined workgroups based on convenience or practicality.

Workgroups established in past transitions include:

- Project Management
- Communications
- Systems/IT
- Telecommunications
- Provider Relations
- Audit and Reimbursement
- EMC/EDI

- Medical Review
- MSP
- Operations/Claims Processing
- Provider Enrollment
- Hardware/Software
- Facilities
- Human Resources
- Financial
- Print/Reports
- File Transfer
- Cutover

The workgroups and their functions should be in place until the cutover period begins. At that time, any remaining activities or deliverables from the other workgroups are normally consolidated into the cutover workgroup, which will coordinate cutover activities and address all remaining issues and tasks.

3.7.4 *Functions*

Each workgroup will identify the tasks and action items necessary to successfully transfer the Medicare data, files, and operations related to that specific workgroup. The group will be responsible for monitoring and updating the tasks listed in the incoming MAC's JIPP that are applicable to their workgroup, as well as applicable tasks in the outgoing MAC's Closeout Project Plan. Throughout the transition period, the workgroup shall: 1) report their progress to the appropriate managers; 2) resolve policy and transition issues regarding their areas of expertise; and 3) ensure that all specific activities and deliverables have been accomplished.

Each workgroup is charged with defining the basic functions of the workgroup and establishing a work plan to address its objectives, work responsibilities, ground rules, and reporting requirements. The workgroup should maintain an issues/action item list and a deliverables log throughout the transition to insure that all items relating to the workgroup are resolved. The workgroup must have a clear understanding of the information that it must provide to other entities, as well as information and deliverables that it has requested from other workgroups or organizations. It is important that requests are precise so that time will not be lost due to misunderstanding exactly what is being asked for. The workgroups should reach an understanding of the types of issues for which they have the authority to resolve and obtain approval from the project managers of those organizations represented in the workgroup.

Initial activities for the workgroups will include brainstorming, discussion of transition strategy, taking action on any immediate issues, identifying workgroup members, and reaching agreement on meeting dates and times. The workgroup should also discuss how they will accomplish their workgroup tasks. The group will review transition materials (i.e., documentation, the JIPP, the CPP, dependencies, action items, any deliverables that have been requested) in order to better define and develop the direction of its workgroup.

All of these activities will be coordinated through the incoming MAC's implementation project manager.

3.7.5 Administration

Workgroups should generally meet on a weekly basis, either in person or via teleconference. It will be the responsibility of the incoming MAC to provide toll-free teleconference capability for all participants in workgroup meetings, as well as any ad hoc teleconferences or meetings. A comprehensive workgroup meeting schedule must be developed for the transition. The schedule shall provide a listing of all the workgroups that have been established, the workgroup heads, members, meeting days and times (normally scheduled for one hour), and the call-in numbers with corresponding pass codes. Membership of the workgroups should be finalized within a week after the kickoff meeting.

A workgroup agenda should normally be distributed a day before the workgroup meeting. The agenda may be in a fixed format that can be used as a minutes document after the conclusion of the meeting. Workgroup meeting notes or minutes will be distributed within two business days after a meeting to allow sufficient time for required decisions to be made before the next meeting. The development and distribution of the agenda and meeting minutes/notes are the responsibility of the incoming MAC. The notes should be reviewed at the next meeting so that all parties understand the impact of any decisions.

It is absolutely essential that there be communication between the various workgroups to ensure that each group knows what issues have been identified and the progress being made towards resolution. In some instances, the same issue will arise in several workgroups. Therefore, workgroup meeting notes need to be exchanged among the different groups, particularly for those that are handling similar or related issues. A project management workgroup could serve as a clearinghouse or forum for sharing information among the workgroups.

Chapter 4: PROJECT MANAGEMENT

4.1 Purpose

This chapter will provide general information and guidance regarding the management of MAC closeout activities. It will emphasize a number of items that the outgoing MAC should consider and will provide the framework for completing the activities detailed in succeeding chapters so that the Medicare workload will be successfully transferred to the incoming MAC.

4.2 Project Team Modifications

Based on the discussions that take place during the jurisdiction kickoff and agreement on the number of workgroups and their responsibilities, the outgoing MAC may need to refine its closeout project team. Staffing changes may need to be made and responsibilities modified. Once the team has been finalized, the organization chart and contact list should be submitted to CMS and the incoming MAC. It may be helpful for the project team to meet internally on a weekly basis to discuss issues and update the project plan, in addition to the regular weekly project status meetings (see **Chapter 4.10.4**).

4.3 Closeout Project Plan

The outgoing MAC will be responsible for developing and maintaining a Closeout Project Plan (CPP). The CPP will reflect the outgoing MAC's approach to closing out its Medicare operation. It must show the detailed tasks and timeframes reflecting the activities necessary for the MAC to provide all Medicare data, records, and information to the incoming MAC and to maintain operational performance during the closeout. The plan must also include the tasks required for the closeout of benefit payments and corresponding financial reporting. CMS does not mandate any particular method or software to be used in managing the closeout; it does, however, require that project plans, reports, and materials are readable using Microsoft Project, Excel, Word, or Adobe.

The outgoing MAC must develop an initial CPP and submit it to CMS and the incoming MAC within **15 days** of the kickoff meeting. This will be the "baseline" plan for the outgoing MAC's closeout activities and will be used by the OMAC and CMS to monitor the overall progress of the project.

It is imperative that the outgoing MAC coordinate its CPP with the MAC's Jurisdiction Implementation Project Plan (JIPP) or Segment Implementation Project Plan (SIPP). The interrelated project activities and dates of the two contractors must not be in conflict. Outgoing MAC information will be needed by the IMAC in order to complete the development of its JIPP, and most of this information cannot be obtained until after contract award. The incoming MAC will need to modify its JIPP/SIPP as a result of the

kickoff meeting and subsequent discussions with the outgoing MAC and other involved organizations. CMS expects the OMAC to work with the incoming MAC to insure that any information necessary to baseline the JIPP/SIPP is provided timely.

CMS understands that the CPP is a dynamic document that may change throughout the life of the project. Additional tasks may need to be added and others may need to be modified or deleted if they are no longer applicable. Timeframes may also need to be revised to correlate to any transition schedule changes. During the closeout, CMS expects the outgoing and incoming MACs to continually refine and coordinate their respective project plans. Any changes to either the CPP or the JIPP/SIPP must be communicated to CMS.

A sample Closeout Project Plan is shown in **Exhibit 3, Sample Closeout Project Plan**. The exhibit shows a breakout of the major areas of activity that are usually required for the closeout of a Medicare contract. The tasks and the level of detail may vary depending on a number of factors associated with the transition. The CPP should show a Work Breakdown Structure (WBS) to the level commensurate with the extent of the activity, depending on the major task category and the amount of detail the outgoing MAC (or CMS) finds necessary in order to properly monitor the project.

The OMAC's Closeout Project Plan must be updated on a weekly basis with an accompanying list of tasks that were completed during the reporting period and a list of tasks that are not on schedule—either they have not started or have not been completed in accordance with the dates shown on the CPP.

4.4 Risk Management

CMS has placed great emphasis on identifying and managing risks involved in a workload transition. The outgoing MAC must be prepared to mitigate identified risks and implement contingency plans.

4.4.1 *General*

A well thought out approach to risk and a comprehensive risk management plan will help ensure that beneficiaries and providers are not negatively impacted as the result of a change in MAC contractors. The outgoing MAC's risk management will involve the systematic process of identifying, analyzing and responding to risks pertaining to its workload closeout. The OMAC must look at its closeout activities and the uncertainties that exist and develop risk response strategies to prevent these potential issues from becoming real problems that will adversely affect the implementation. The activities listed below are the basic processes that should be followed for the management of risk during a workload closeout. CMS will pay particularly close attention to the outgoing MAC's risk areas involving personnel, workload inventory, file transfer, and cutover.

4.4.2 Risk Management Processes

4.4.2.1 Risk Identification

The outgoing MAC will identify which risks might affect its closeout activities and document the characteristics of the risk. Identification may come from the outgoing MAC's experience in transitions, lessons learned from other transitions, industry experts or consultants, current performance, brainstorming, etc. Triggers or warning signs that a risk has occurred or is about to occur should also be identified.

4.4.2.2 Risk Analysis

Risk analysis will examine each identified risk to estimate the likelihood of it happening and to predict the impact on the implementation. The probability of a risk occurring may be expressed in numbers or levels such as high—likely to occur during the transition; medium—a possibility of the risk occurring; or low—unlikely to happen.

The impact on the implementation will normally focus on cost, schedule, technical, or operations. Impact assessment may also be expressed in numbers or levels: high—substantial impact on the cost, schedule, technical or operations; moderate—some impact; and low—minimal, if any, impact.

Once probability and impact have been categorized, a risk prioritization should be undertaken to show what risks require management attention and action.

4.4.2.3 Risk Response

The outgoing MAC should develop options for responding to the identified implementation risks. Options include:

- The risk could possibly be avoided by changing tasks or the schedule of the CPP. Any change would require CMS review;
- The risk might be able to be transferred or shifted to another organization involved in the transition;
- The probability or impact of the risk may be able to be reduced or mitigated. This is the most common option that MACs take in their approach to transition risk and it has been used successfully over the years. It is much more preferable than trying to deal with a risk's consequences after cutover; and
- If other risk options are not practical or beyond the scope of the outgoing MAC's contract, the risk must be accepted. If the outgoing MAC accepts a risk, then contingency plans should be developed, especially for high priority risks. Contingency plans may also be developed for risks with a mitigation plan in place, should the mitigation plan not be effective.

4.4.2.4 Risk Management Plan

As part of the risk management process, the OMAC will develop a risk management plan for the closeout of its Medicare operations. The plan should identify potential risks, their causes, the probability of occurrence, the impact on the transition, mitigation strategies, and possible contingency plans. The risk management plan is due to CMS within **30 days** of contract award or the effective date of contract to the new MAC. The risk management plan (also known as a risk response plan) should contain the following information:

- The details of all identified risks, their descriptions, their causes, the probability of their occurrence, the areas of the transition affected, and what impact the risk may have on the transition goals (see **Chapter 1.4**);
- The organization/person that is responsible for the risk and their responsibilities;
- The results of the risk analysis and prioritization;
- The risk responses (options) that have been selected for each risk identified;
- The specific actions identified to implement the risk option strategy (e.g., mitigation, contingency plans); and
- The level of risk expected to remain after the strategy is implemented.

In addition, the outgoing MAC will provide input to the development of the incoming MAC's risk management plan. After contract award, the outgoing MAC will meet with the incoming MAC (as well as other organizations directly involved in the transition) to go through the risk processes, refine plans, and coordinate with the other risk management plans or activities.

4.4.2.5 Risk Monitoring

The outgoing MAC must keep track of its identified risks throughout the transition. It must monitor trigger events and ensure the execution of risk responses. Also, the OMAC should evaluate the effectiveness of the responses on an ongoing basis. It must recognize new risks if they develop and monitor identified risks to see if they may change or disappear.

As an integral component of the risk management process, the outgoing MAC must periodically reassess its risk management activities. The risk management plan should be assessed at least on a biweekly basis and updated as appropriate. The update should identify any new risks along with an explanation of the changes. It should also describe the implementation of new risk responses, including mitigation strategies and contingency plans.

4.5 Interaction with the Incoming MAC

It is important to stress communication and cooperation with the incoming MAC. It is an integral part of any transition. A transition is a complex undertaking involving many different organizations. It is a temporary partnership and all parties need to be working toward the common goal of a successful transition. In order to accomplish this goal there

must be communication at all levels. The outgoing MAC must work closely with the incoming MAC in a professional and cooperative manner in order to coordinate activities, monitor workload and staffing changes, and successfully transfer the Medicare workload. The meeting and reporting requirements detailed in **Chapters 4.9 and 4.10** below provide a framework for that effort.

CMS and the incoming MAC understand that the transition may be very stressful for the outgoing MAC's organization and employees. It is possible that the outgoing MAC was unsuccessful in its efforts to retain its MAC contract and will be ending its operations not by choice. The outgoing MAC may view the IMAC as a competitor for future CMS procurements. It is also possible that the outgoing MAC has no other Medicare contracts and will be leaving the Medicare program altogether. Any of these circumstances have the potential to affect the outcome of the transition and CMS will be closely monitoring the communication and cooperation efforts of the parties during the project. If the outgoing MAC believes that there is an issue with its relationship with the incoming MAC, it must discuss the problem with its CO and Contracting Officer's Representative.

In some transitions the parties have found it helpful to have regular informal teleconferences with just the project heads of all the organizations involved (e.g., incoming MAC, outgoing MAC, CMS, data center, PSC, etc.) to keep the lines of communication open, discuss overall progress, and ease the resolution of any issues or conflicts.

4.6 Internal Communications

It is important that the outgoing MAC keep its employees informed about the progress of the transition to the new MAC, as well as personnel issues that will be affecting them; e.g., employment opportunities within the organization, severance, outplacement, etc. This can be accomplished through regularly scheduled staff meetings and employee bulletins or newsletters. If the outgoing MAC's staff is going to be hired by the incoming MAC, updates and information regarding the IMAC's implementation activities will be provided to the outgoing MAC. The incoming MAC may also have a human resources person and/or management staff available to answer employment questions and to provide general information on the progress of the implementation.

4.7 Incoming MAC On-Site Presence

The incoming MAC may request to visit the outgoing MAC's operational site and may request that the OMAC provide space at its facility for occasional use when conducting transition business. The incoming MAC's subject matter experts/workgroup heads will normally request to be on site at various times during the transition to gather information on current processes and to monitor activities. The amount of on-site presence requested will be dependent on a number of factors, but a key factor is whether or not the incoming MAC is proposing to hire the outgoing MAC's staff and/or maintain a presence in the area.

The incoming MAC will propose how much of an on-site presence it believes is necessary and the timing of such presence. The IMAC will need to negotiate with the outgoing MAC regarding the activities to be conducted, space, the number of personnel, and tentative timeframes. The outgoing MAC will also need to discuss company policy/procedures regarding site access and security measures that must be observed when the incoming MAC is on site. On-site access is the sole prerogative of the outgoing MAC; it may limit entry to operational areas or refuse to provide any working space for the incoming MAC. However, CMS believes that the on-site presence of the incoming MAC at the outgoing MAC's site(s) is beneficial to the transition and strongly recommends that the OMAC make every effort to accommodate the incoming MAC's request.

4.8 Nomenclature

As the transition begins, the outgoing MAC must make sure that the terminology and nomenclature used in its operation is understood by all parties involved in the project. All terms, acronyms, and files need to be well defined and clearly understood. This will help prevent project delays, duplication of effort, and unanticipated workload being transferred at cutover.

4.9 Documentation

CMS will closely monitor the outgoing MAC during the transition to ensure that the cutover occurs on schedule and that all Medicare workload, data, and records have been properly transferred and the contract closed out. CMS requires the outgoing MAC to submit the following documents during the closeout period. For convenience, a comprehensive guide to incoming and outgoing MAC documentation required during a transition is found in **Exhibit 6, MAC Transition Meeting and Documentation Guide**.

4.9.1 *Closeout Project Plan (CPP)*

The Closeout Project Plan shows the tasks and schedule necessary for the transfer of Medicare files and operations to the incoming MAC and the activities required for contract closeout. The CPP must be coordinated with the incoming MAC's Jurisdiction Implementation Project Plan (JIPP). A baseline CPP should be submitted for approval to CMS within **15 days** of the jurisdiction/segment kickoff meeting. The CPP is a dynamic document and will be modified as events occur during the transition. The outgoing MAC must ensure that CMS is aware of any changes made to the CPP and that those changes are reflected in the weekly CPP update. See **Chapter 4.3**.

4.9.2 *Closeout Project Plan Update*

The CPP will be updated on a weekly basis. The update will be included with the Closeout Project Status Report (**Chapter 4.9.5** below) and submitted at least two days prior to the weekly implementation project status meeting (see **Chapter 4.10.4**). The updated plan should be accompanied by a list of tasks that were completed during the

reporting period and a list of tasks that are not on schedule—either they have not started or have not been completed in accordance with the dates shown on the CPP. When submitting an updated CPP, contractors should highlight in red those tasks that are not on schedule. The update should also show any new tasks that have been added to the plan and tasks that have been deleted, along with the reason.

4.9.3 *Risk Management Plan*

The outgoing MAC must develop a risk management plan for the closeout of its Medicare operations. The plan should identify potential risks, their causes, the probability of occurrence, the impact on the transition, mitigation strategies, and possible contingency plans. The risk management plan is due to CMS within **30 days** of the jurisdiction/segment kickoff. **See Chapter 4.4.2.4.**

4.9.4 *Risk Management Plan Update*

As an integral component of the risk management process, the outgoing MAC must periodically reassess its risk management activities. The risk management plan should be assessed at least on a biweekly basis and updated as appropriate. The update should identify any new risks along with an explanation of the changes. It should also describe the implementation of new risk responses, including mitigation strategies and contingency plans. An updated plan should be submitted with the Closeout Project Status Report. **See Chapter 4.4.2.5.**

4.9.5 *Closeout Project Status Report*

The Closeout Project Status Report is prepared weekly and provides a narrative update on the status of the outgoing MAC's closeout activities. The report should describe the activities that have taken place in each major task area of the project for the two week reporting period. It should also include a discussion of outstanding issues and the status of deliverables. If there are problems or potential problems, the outgoing MAC should provide detailed information and provide any resolution measures. The report should also discuss any schedule slippage, the impact it may have on the project and the steps that are being taken to correct the situation. The Closeout Project Status Report is due two days prior to the weekly project status meeting (**Chapter 4.10.4**).

While the outgoing MAC may organize and display the tasks/activities of its Closeout Project Plan in the manner of its choosing, the Closeout Project Status Report **must** be structured using CMS's standardized transition status report format discussed below. The format utilizes the following seven major work elements of a workload transition. Because of the differing focus of their transition activities, the incoming and outgoing contractors will have varying degrees of activity in each of the seven elements reported. Text may be bullets or narrative displayed in the following format:

- **Project Management**

This element includes organizing project staff and workgroups, preparing the various plans required by CMS, conducting meetings, monitoring and reporting progress, issue/problem resolution, managing costs, and managing risk.

- **Communications**

Activities include coordination with the incoming MAC and communicating with providers, beneficiaries, medical/specialty groups, trading partners, etc., regarding the change in Medicare contractors.

- **Claims Processing/Operations**

This element involves activities associated with closing down the **business environment**. Tasks include preparing operational shutdown activities, due diligence assistance, workload reduction, and deliverables preparation.

- **Systems/EDI**

This area involves closing down the **technical environment**, including EDI, voice and data telecommunications, base/non-base applications and services, local hardware/software, and interaction with the EDC.

- **Resources/Infrastructure**

Activities include personnel activities, asset inventory, and shutting down/disposition of facilities and associated infrastructure.

- **Financial**

This element includes banking activities, accounts receivable review, cost reporting, and 1099 activities.

- **Cutover/Workload Transfer**

This area includes file preparation, on-site and off-site record storage, file transfer plan, and the activities associated with the actual cutover of Medicare operations and transfer of files.

4.9.6 *Issues Log/Action Items*

The outgoing MAC should maintain an issues log/action items list for those items identified during the closeout. The list should be for those issues that pertain solely to the OMAC and are not part of the implementation issues log maintained by the incoming MAC. The list should provide an identification number, the date created, a description of

the issue/action required, the responsible party, an update of the status, the date of resolution, and any pertinent comments. The document should be reviewed weekly and updated as required. It should be submitted with the weekly CCP update. Some outgoing MACs have found it helpful to transfer closed items to a separate log, with the resolution date and an explanation of how the issue was resolved.

4.9.7 *Workload Report*

As soon as the MAC contract award is made, CMS will begin monitoring the outgoing MAC's performance on a weekly basis. The outgoing MAC will work with its Contracting Officer's Representative and the Implementation Lead to determine the workload data to be submitted.

Data obtained shall include:

- receipts
- claims processed
- claims pending
- claims pending over 30/60/90 days
- claims processing timeliness
- correspondence
- hearings
- cost reports
- appeals
- telephone service
- compliance reviews

The workload report with the above-mentioned items will be submitted to CMS on a weekly basis. Actual monthly workload should be displayed against the expected monthly workload goals that may have been developed in consultation with CMS. If there are major discrepancies between the actual workload and anticipated goals, an explanation should be provided. CMS will provide outgoing MAC workload information to the IMAC on an ongoing basis, along with any operational issues that arise. An example of an outgoing MAC workload report is shown in **Exhibit 7, Sample Workload Report**.

In addition, when closeout activities begin, the outgoing MAC shall provide the monthly workload data shown in **Exhibit 13, Sample Baseline Workload Templates** for the 12-month period prior to the jurisdiction/segment kickoff and continuing on a monthly basis during the closeout until the end of Medicare operations at cutover.

4.9.8 *Staffing Report*

CMS will monitor staffing levels of the outgoing MAC by the functional areas of its Medicare operation. The outgoing MAC will provide CMS with a weekly breakout of staffing showing staff losses by area, transfers within the Medicare operation or to other areas of the company, new hires (temporary or permanent), and staff in training. There should also be an explanation of any changes. The incoming MAC will be provided a

copy of the staffing report. Based on the workload and staffing reports, it is possible that CMS (after consultation with the outgoing and incoming MACs) may decide to move a particular function sooner than expected. If this occurs, the project schedule and transition/termination costs would be modified accordingly.

4.9.9 *Asset Inventory*

The outgoing MAC must develop a fixed asset inventory for all Medicare assets that were acquired in order to perform the functions of its Medicare contract. Any government furnished property (GFP) or equipment (GFE) should be listed separately and identified as such. The inventory will include a detailed list of all supplies, furniture, hardware, software, equipment, and other work-related items that were furnished or acquired under the terms of the Medicare contract. The inventory must be provided to the outgoing MAC Contracting Officer and outgoing Contracting Officer's Representative as soon as possible after contract award to the incoming MAC. See **Chapter 5.4**.

4.9.10 *File Inventory*

The outgoing MAC must develop an inventory of all files and records that will be transferred to the incoming MAC. The inventory should give a description of the files, including contents and size. If the OMAC has more than one operational site, an inventory must be prepared for each site. The outgoing MAC should begin to prepare its file inventory as soon as the MAC contract is awarded. A draft inventory should be provided to the MAC, with a copy to CMS, at least **45 days** prior to cutover. All required updates to files must be made prior to transfer.

The incoming MAC will use the inventory to determine where files will be located when it assumes the workload and to develop the file transfer plan. During the cutover period, the outgoing MAC will finalize its file inventory and provide a copy to both CMS and the incoming MAC. See **Chapters 5.12** and **6.10.1**.

4.9.11 *File Transfer Plan*

The incoming and outgoing MACs must jointly develop a file transfer plan, using the draft file inventory as a basis. The plan should describe the files and records to be transferred by type, method of data transfer, transfer protocols, and destinations. A schedule for the transfer of the workload with shipping dates and times must be provided. It should also provide a description of the method of manifesting, packaging, and labeling all claims and correspondence. A draft file transfer plan must be provided to CMS at least **30 days** prior to cutover; it will be finalized when the outgoing MAC prepares its final file inventory during the cutover period. See **Chapters 5.12.1** and **6.10.2** and **Exhibit 14, File and Record Transfer Plan Contents**.

4.9.12 *Lessons Learned*

CMS believes that each transition that takes place will provide valuable information and lessons learned for subsequent transitions. As such, CMS asks that during the closeout the outgoing MAC maintain a list of activities that went well, problems that were encountered, and suggestions for how things could be handled differently during the next transition. It is hoped that after cutover, the outgoing MAC will be able to prepare a lessons learned document regarding its activities during the closeout. The document should be structured using the seven elements of the CMS standardized transition status report (**Chapter 4.9.5** above). The lessons learned should analyze what activities were successful and why, and discuss those activities that need improvement. It should be submitted to the incoming MAC as soon as practicable after cutover and will be used as part of the discussion during the post-project review meeting (see **Chapter 4.10.8**).

4.10 Meetings

The outgoing MAC will be expected to attend a variety of meetings as part of its closeout activities. These meetings will help ensure that all parties are informed of the progress of the transition. The meetings will also highlight outstanding issues and determine what actions need to be taken by the participants to resolve them. The following are meetings that the outgoing MAC will need to attend. Unless otherwise noted, the incoming MAC will obtain facilities, provide toll-free teleconference lines, and prepare and distribute agendas and meeting minutes.

Exhibit 6, MAC Workload Transition Meeting and Documentation Guide, provides a useful reference of the following meeting information in chart form.

4.10.1 *Outgoing MAC Pre-Meeting*

As part of the jurisdiction kickoff, CMS will conduct a pre-meeting with the outgoing MAC prior to the general jurisdiction kickoff meeting. The meeting will provide an opportunity for CMS to discuss issues of importance specific to an outgoing MAC that would not be relevant to discussions in the general kickoff meeting. The meeting will be conducted by the outgoing MAC Contracting Officer and attended by the outgoing MAC Contracting Officer's Representative and various CMS transition staff. Topics will include CMS expectations, transition schedule, closeout approach, Closeout Project Plan, personnel issues, asset disposition, file storage and transfer, and financial closeout. See **Chapter 3.6.1**.

4.10.2 *Jurisdiction Kickoff Meeting*

The jurisdiction kickoff meeting is a one-time meeting that brings together all of the participants in the transition. It provides the opportunity to meet face-to-face to discuss the overall approach and organization of the project. Participants will provide an overview of their organizations and introduce their project team. The schedule will be reviewed, roles and responsibilities defined, and any concerns or issues addressed. The

number and function of the transition workgroups will also be discussed and agreed upon. The kickoff meeting should be held within **30 days** of contract award or the effective date of contract after a protest has been resolved. See **Chapter 3.6.3**.

4.10.3 Segment Kickoff Meeting

If there is a jurisdiction consolidation and the incoming MAC is not the incumbent MAC for either jurisdiction, the transition will have two workload segments. A segment kickoff meeting represents the formal start of the process of moving the workload of one of the outgoing MAC's involved in the transition to the incoming MAC. It is similar to the jurisdiction kickoff meeting in concept, but is focused on the activities surrounding an individual segment transition. The first segment kickoff meeting should take place within **30 days** of the MAC contract award or the effective date of the contract after a protest has been resolved, and may be held in conjunction with the jurisdiction kickoff meeting. Subsequent segment kickoff meetings should take place **10-15 days** prior to the scheduled start date of the segment transition. See **Chapter 3.6.4**.

4.10.4 Project Status Meeting

The project status meeting is a weekly meeting to obtain an update on the progress of the transition. It is intended for all parties involved in the project: the MAC project manager and workgroup leads, CMS, MISC, outgoing MAC project manager and closeout team, EDC(s), shared system maintainer, PSC, QIC, etc. The parties will review the major tasks of the MAC's JIPP/SIPP and receive updates from each of the workgroups. Participants will go through the deliverables and issues logs and review workgroup items. The meeting will discuss issues that have arisen and determine appropriate action if there are delays in task completion, deliverables, or action items. The OMAC's related closeout activities will also be reviewed, along with the relevant activities of the other parties involved in the transition. The MAC's Implementation Project Status Report will be used as the basis for conducting the meeting. The status meetings are generally held by conference call, although meetings could be held in person if warranted. The incoming MAC will prepare an agenda at least one day prior to the meeting and distribute meeting documentation (list of attendees, minutes, action items, etc.) within three days after the meeting.

Depending on the number of segments, how the implementation is organized and integrated, unique activities or considerations (e.g., HIGLAS), resources, etc., it is possible that for those transitions with segments involved, CMS may determine that individual segment project status meetings would be more beneficial than a single overall project meeting. If such is the case, the outgoing MAC would only attend the project status meeting pertaining to its segment.

4.10.5 Transition Workgroup Meetings

The transition workgroup heads will be responsible for conducting weekly workgroup meetings. The meetings will be used to review the transition activities applicable to its function, track deliverables, and monitor action item resolution. Problems or issues will

also be raised to the appropriate project lead. Workgroup meetings are normally teleconferences, although depending on circumstances, some may be held in person, especially in the beginning of the project or near cutover. See **Chapter 3.7.5**.

4.10.6 “Go/No-Go” Call

CMS may hold a “go/no-go” teleconference with the transition participants approximately **7-14 days** prior to the cutover. The purpose of the meeting is to ensure that all participants in the transition are in agreement that there are no outstanding issues that would prevent the initiation of the final cutover activities. CMS will coordinate with the incoming MAC to set up and conduct the meeting. All parties directly involved in the cutover activities should be in attendance. See **Chapter 6.5**.

4.10.7 Cutover Meeting

Beginning approximately two weeks before the cutover, a daily cutover teleconference will be held. The meeting will review the cutover plan and the activities scheduled for that day and resolve any outstanding issues. Additional daily meetings may be added during the several days surrounding the actual cutover. These meetings should continue to be held after cutover until all outstanding issues are resolved. See **Chapter 6.4**.

4.10.8 Post-Project Review Meeting (Lessons Learned)

The incoming MAC will conduct a post-project review meeting after cutover. This meeting will normally be via teleconference unless CMS believes that it would be beneficial to meet face-to-face. The purpose of the meeting is to review those activities that were successful during the transition and those that need improvement, along with suggested remedies. In order to improve the process for future transitions, the originator of the lessons learned will need to document as much detailed information as possible, including the specific group(s) involved as well as the individual/group responsible for implementing any changes. This will help insure that suggestions/recommendations are assigned to the appropriate area for follow-up action. Attendees will review the lessons learned documents that were prepared by the parties involved in the transition (see **Chapter 4.9.12**).

It is extremely important for CMS to get input from the outgoing MAC in order to improve subsequent transitions. Given this importance, it is hoped that the outgoing MAC will participate in the lessons learned meeting. CMS recognizes that certain key transition personnel may no longer be employed or the outgoing MAC’s period of performance may have ended. However, if the key individuals are still in the employ of the organization and the outgoing MAC’s contract has not ended, CMS expects appropriate participation in the meeting.

Chapter 5: CLOSEOUT ACTIVITIES AND INTERACTION WITH INCOMING MAC

5.1 Closeout Approach

Shortly after the award of the new MAC contract and prior to the jurisdiction kickoff, the Contracting Officer and Contracting Officer's Representative will meet with the outgoing MAC to begin planning for the upcoming transition. The focus will be on developing the outgoing MAC's approach to the closeout and how the MAC plans to maintain claims processing standards and quality control safeguards.

The outgoing MAC will need to analyze how closeout activities may affect its Medicare operations. There should also be discussions on the outgoing MAC's plan for retention of staff and the risks/contingencies for loss of resources prior to cutover. Processing goals, workload levels and standards, redirected resources or activities should also be examined. Consideration may also be given to moving certain functions to the incoming MAC earlier than originally planned if there is a critical lack of staff in a certain area. Additionally, any award fee plan or incentive for claims processing productivity, accuracy levels, or other activity should be part of the discussion.

The closeout approach determined in this and subsequent meetings will be formally incorporated into the MAC's Closeout Project Plan and Risk Management Plan (see **Chapters 4.3 and 4.4**).

5.2 Personnel Actions

Outgoing MAC employees must continue to perform their jobs throughout the transition and maintain production levels. It is incumbent upon the outgoing MAC to make every effort to keep existing employees and maintain their productivity. Rumors can run rampant during a transition, especially after the announcement of the MAC award. They can affect the work environment in numerous ways and can affect efforts to retain personnel—the longer uncertainty exists, the more attractive alternate employment becomes. It is important for the outgoing MAC to provide factual and timely information throughout the closeout period.

Obviously, if employees have knowledge that they will remain with the company or that the incoming MAC will be extending offers of employment, it will greatly facilitate the transition process and alleviate fears regarding the future. However, that will not always be the case. Even if employees are facing separation, knowledge of employee benefits and any special incentives can help keep operations running smoothly. It is important for the outgoing MAC to provide open forums for discussion and to alleviate fears regarding employees' futures. There should be an established process for written and verbal communications regarding transition issues in order to provide ongoing information to

employees. A number of outgoing MACs have also found it helpful to have a transition hotline or special section on their websites dedicated to transition information.

5.2.1 *Employment Within the Company*

Management will need to ascertain corporate intentions for its MAC employees at the end of its contract. Management will determine if jobs in other areas of the company will be offered to MAC employees, and if so, how many and in what areas. This information should be provided to employees as soon as possible. If personnel will be offered other positions within the company, CMS expects that the MAC will make every effort to keep its employees in place until cutover or negotiate a mutually agreeable plan with the other corporate component(s) if employees are to be transferred prior to cutover.

5.2.2 *Incoming MAC Employment*

If the incoming MAC is proposing to hire outgoing MAC employees, IMAC management staff will contact the outgoing MAC to discuss its proposal regarding how many positions may be offered, the location(s) of jobs, and specific individuals of interest. Steps should be taken to provide as much information as soon as possible to employees after the details of the incoming MAC's employment proposal have been obtained. As soon as possible, the OMAC should hold a meeting with affected employees to communicate the commitment of both organizations, allay fears, and provide information regarding the transition and future employment. The incoming MAC may also wish to have a face-to-face meeting with potential employees to discuss its organization, benefits, and the types of jobs that will be available. If the IMAC is proposing to hire a substantial number of outgoing MAC employees, it may propose that a human resources representative be on site on a regular basis to address employee concerns and provide detailed information regarding benefits and employment.

The outgoing MAC should work with the incoming MAC to establish communication procedures for the employees it is proposing to hire. Protocols for contacting staff, obtaining approval and release of employee information, and how job postings can be displayed will need to be agreed upon. The incoming MAC will need specific employee information such as names and addresses of employees, dates of service, job titles, job grades, job descriptions, current salaries, review dates, etc., and documentation of current employee benefits. Of course, obtaining certain personal information will require permission from the employee.

The outgoing and incoming MACs should develop a comparison of employee benefits showing the differences between each organization's benefits. Meetings should be scheduled with staff to discuss the differences, provide information on what employees may expect if they become employees of the new MAC, and how the actual employment cutover will be handled. The incoming MAC may also ask to contribute transition related articles to the outgoing MAC's employee newsletter.

A mutually agreed upon plan or calendar for when employees will actually transfer to the incoming MAC's employment will need to be developed. The plan must ensure that there is no degradation of service at the outgoing MAC's site due to the hiring schedule. CMS expects that the incoming MAC will not hire any of the outgoing MAC's staff to perform work for the incoming MAC prior to cutover unless it has been agreed to by the outgoing MAC and CMS.

5.2.3 *Employee Termination*

The outgoing MAC will need to develop a strategy for: 1) retaining employees that will not be hired by the incoming MAC and will lose employment after the contract ends; and 2) maintaining the productivity of those employees. The strategy should be based upon CMS policy and applicable regulations, prior transition experience, and internal company guidelines.

The outgoing MAC will need to enter into discussions with its Contracting Officer and Contracting Officer's Representative as it develops its strategy.... Agreement must be reached with CMS regarding any benefit package or financial arrangement that will be offered to employees. Employees should be informed as soon as possible about the provisions of any plan that the company will provide to severed employees.

The outgoing MAC may utilize or develop an employee counseling program to provide guidance on such topics as severance pay, benefit expiration, benefit conversion (if appropriate), vested employees retirement rights, unemployment compensation, and any other entitlements. It may also make job placement services available to assist employees with employment opportunities within other areas of the company or in the local area. It should be noted that job placement services are **not** an allowable expense.

The outgoing MAC must also be cognizant of any Federal and state labor laws and requirements regarding employee notification of job loss and verify that the company policy regarding layoffs is in compliance.

5.3 Security Awareness

The outgoing MAC should be cognizant of possible security breaches that may be caused by employees, once they are aware of their employment future. Unfortunately, some employees may resort to theft, system sabotage, or other types of disruption to the Medicare operation. The outgoing MAC should review its existing security measures and, given the circumstances, determine if they are adequate or need to be improved.

5.4 Asset Inventory

The outgoing MAC will normally discontinue the acquisition of assets during its closeout unless it is absolutely essential to the success of the transition. As part of its closeout activities, the outgoing MAC must develop a final inventory of its Medicare assets. The inventory will contain a detailed list of all supplies, furniture, hardware, software,

equipment, and other work-related items that were furnished or acquired under the terms of the DME Medicare contract. Any government furnished property (GFP) or equipment (GFE) should be listed separately and identified as such.

The outgoing MAC is responsible for the disposition of government-furnished property or property acquired by the MAC using contract funds. The disposition of assets shall be under the direction of the outgoing MAC Contracting Officer and in accordance with the Federal Acquisition Regulation (FAR). The Contracting Officer is the only CMS official who can authorize the disposition of any property. Disposition of the outgoing MAC's Medicare assets may include sale, donation, transfer, return to the government (GFP/GFE), or destruction.

CMS will provide the outgoing MAC's final inventory to the incoming MAC. This will be done as early in the transition as possible so that the incoming MAC will have time to analyze and negotiate with CMS for the possible acquisition of any assets. The request for the outgoing MAC's asset inventory should be placed on the Deliverables List with a mutually acceptable due date.

5.5 Access to Information

During the transition, the incoming MAC will be requesting a significant amount of information from the outgoing MAC. The IMAC understands that any request for information must be necessary and relevant to implementing the requirements of its statement of work. The outgoing MAC will not have the time or resources to respond to requests for information or documents that are not appropriate to the circumstances of the transition, nor essential to the successful completion of the transition. The incoming MAC is also aware that it may not receive all of the information and/or documents that it requests, especially those regarding internal operations or processes.

The extent of the information the outgoing MAC is willing to provide may be dependent upon a number of factors, including whether or not the outgoing MAC has other Medicare contracts, if it will be entering into a partnering/subcontracting relationship, if it will be participating in future MAC procurements, or if it will be leaving the Medicare program. Possible legal action regarding the jurisdiction award could also affect the release of information or documents.

Exhibit 4, Outgoing MAC Information/Documentation, provides a list of some of the information and documents that incoming MACs will normally request from outgoing MACs. The exhibit shows information/documentation that is considered non-proprietary and should be released to the IMAC if requested. It also shows documents that may contain proprietary or business information. Generally, CMS will not require the outgoing MAC to release proprietary/business documents, but under certain circumstances, it may require that a properly redacted version be released. It is important to understand that while internal processing instructions may be considered proprietary, the outgoing MAC should provide the incoming MAC with the rationale and background data supporting the edits/audits.

The outgoing MAC Contracting Officer should be contacted if the OMAC believes that the incoming MAC's request for information or access to operations is not warranted, or if it considers the requested documents to be proprietary in nature.

5.6 Deliverables

Prior to the kickoff meeting, the outgoing MAC should begin gathering documents and information regarding providers, operations, EMC, telecommunications, the physical storage of records, assets, etc. This type of information will be needed by the incoming MAC to conduct its implementation activities and any pre-kickoff efforts will expedite the process.

At the kickoff meeting, or shortly thereafter, the IMAC will provide a list of information that it believes is necessary for its implementation. This list is known as the deliverables list and will be a formal record of information, documents, etc., that the incoming MAC is requesting from the outgoing MAC and other parties involved in the transition. At the minimum, the deliverables list should contain a description of what is being requested from the outgoing MAC (or other party), the date of the request, the requester's name, the requested due date, and the actual receipt date. During the transition, the incoming MAC will continue to refine and add to the deliverables list based on its operational assessment/due diligence and workgroup activities.

It is important that the incoming and outgoing MACs work with each other to ensure that everyone understands exactly what is being requested, that the information is applicable to the purpose of the request, that the OMAC has the resources available to fulfill the request, and that the timeframe for delivery is reasonable. Time will be of the essence, so it will be important for the outgoing MAC to provide the information as quickly as possible, especially if certain information or documents are needed to assist in the incoming MAC's initial operational assessment/due diligence.

See **Exhibit 4, Outgoing MAC Information/Documentation** for the types of information and documents that an incoming MAC may want to obtain from an outgoing MAC.

5.7 Incoming MAC Operational Assessment/Due Diligence

A key activity for the outgoing MAC during the transition will be providing information about its operations to the incoming MAC. This information gathering process by the IMAC is an ongoing activity that continues, to one degree or another, throughout the transition and is known by a number of different names: operational assessment, operational analysis, due diligence, and gap analysis. All functional areas (claims processing, medical review, provider enrollment, audit and reimbursement, Medicare Secondary Payment, financial, appeals, customer service, etc.) and all business operations and procedures will normally be analyzed. The extent of the analysis will be dependent upon the statement of work for the MAC contract, the nature of the incoming MAC's

proposal, and what proprietary or business operation information the outgoing MAC is willing to provide.

5.7.1 *Initial Assessment*

As soon as possible after contract award, the incoming MAC will want to perform an initial assessment of the outgoing MAC's Medicare operations and business processes. The information obtained will be used by the transition workgroups to gage the work to be performed and to develop their deliverables list and issues log/action item list. The assessment will facilitate the absorption of the workload into the incoming MAC's operational environment, help ensure a smooth transition, and lessen any impact to beneficiary and providers. After the initial assessment has been completed, the various workgroups will continue to examine the outgoing MAC's operations as part of their ongoing workgroup responsibilities throughout the transition period.

CMS strongly recommends that the incoming MAC make a site visit(s) to the outgoing MAC. The IMAC will contact the outgoing contractor to discuss the possibility of an on-site visit for the initial assessment. The incoming MAC will discuss the possibility of an on-visit, the type of information that it hopes to obtain, and which operational areas it would like to review. Agreement will need to be reached on such items as dates, times, frequency of visits, number of staff, and availability of on-site working space for the visiting MAC.

The incoming MAC will make a concerted effort to complete its initial assessment within the first month of the transition so that any changes to its implementation approach or Jurisdiction/Segment Implementation Project Plan (JIPP/SIPP) can be negotiated with CMS and incorporated into its baseline JIPP/SIPP.

5.7.2 *Areas of Focus*

The assessment and documentation of the outgoing MAC's operations may include internal policies and procedures, business processes, work flow in each functional area, files, and staff analysis. Standard operating procedures may be reviewed, along with quality assurance processes and standards. The incoming MAC will look for any procedural differences and/or local variations of the claims process. It will also analyze the outgoing MAC's workload data and inventory statistics by functional area, as well as productivity rates and production capacity. The incoming MAC will need to be aware of workload in progress and obtain specifics on the amount of Medicare files and records in storage, both on site and at remote locations. In addition, the incoming MAC must determine if there are any special CMS projects, initiatives, or activities that involve the outgoing MAC and the specific time frames for completion.

The incoming MAC may want to obtain information on the outgoing MAC's performance. The outgoing MAC may provide requested performance information voluntarily; however, there may be situations where the outgoing MAC will deny the request. Certain non-proprietary performance, corrective action, and audit findings may be available through CMS if the outgoing MAC declines to provide the information (see **Chapter 5.7.3.6** and **Exhibit 4, Outgoing MAC Information/Documentation**).

The outgoing MAC's workload and performance will be monitored throughout the transition period by CMS. Depending on the outgoing MAC's performance and the progress of the transition, the incoming MAC or CMS may propose to move certain functions earlier than scheduled. For example, if the outgoing contractor suffers a severe staff loss among customer service representatives, the incoming MAC may propose to take the work prior to the established cutover date. Should such a situation arise, CMS will discuss the proposal with all parties involved and reach agreement as to how to proceed.

5.7.3 *Specific Assessment Activities*

The following are some of the areas or activities that are normally analyzed as part of the incoming MAC's overall assessment/due diligence:

5.7.3.1 Local Coverage Determinations (LCDs)

The incoming MAC will want to meet with the outgoing MAC's Medical Director and other MR staff to obtain information on Local Coverage Determinations (LCDs). The outgoing MAC will provide the incoming MAC with all current (LCDs) and the historical record for each. The incoming MAC will analyze all LCDs as soon as possible to determine their applicability to its SOW and contract.

If there is a jurisdiction consolidation and there are multiple segments involved in the implementation, the incoming MAC will be required to consolidate the existing LCDs of the two outgoing MACs so that they are the same throughout the jurisdiction. The consolidation must be completed prior to the cutover of the first segment within the jurisdiction. The MAC must use the most clinically appropriate policy currently in place when consolidating its LCDs.

5.7.3.2 Edits

Since every MAC has discretion regarding certain edits in its claims processing systems (local edits), the incoming MAC must analyze the outgoing MAC's current edits and determine if they meet the requirements of the incoming MAC's SOW and contract. The incoming MAC may also consider operational efficiencies and other pertinent factors when determining edits.

The incoming MAC will attempt to keep the outgoing MAC's existing local edits to the extent practicable. If the incoming MAC proposes to change an outgoing MAC's local edits, it must analyze the change to determine if there will be any impact to the provider community. If the incoming MAC believes that an edit should be changed, CMS must be consulted. It is very important that any edit/processing changes are clearly communicated to providers and submitters. The incoming MAC may request the outgoing MAC to assist it with communication to providers regarding any changes.

It is important to understand that while internal processing instructions may be considered proprietary, the outgoing MAC should provide the incoming MAC with the rationale and background data supporting edits/audits.

5.7.3.3 Outgoing MAC Workload and Inventory

As soon as the MAC award is made, CMS will begin monitoring the outgoing MAC's performance and workload on a weekly basis. Data obtained will include:

- Receipts
- Claims processed
- Claims pending
- Claims pending over 30/60/90 days
- Claims processing timeliness
- Correspondence
- Hearings
- Cost reports
- Appeals
- Telephone service
- Compliance reviews

A workload report will be submitted to CMS on a weekly basis. It will be provided to the incoming MAC along with any outgoing MAC operational issues that arise. If necessary, the incoming MAC will take appropriate action to modify its implementation activities or risk mitigation/contingency plans. Also see **Chapter 4.9.7**.

5.7.3.4 Staffing Levels

CMS will also monitor the staffing levels of the outgoing MAC by the functional areas of its Medicare operation. The outgoing MAC will provide a weekly breakout of staff showing staff losses by area, transfers within the MAC operation or to other areas of the company, new hires (temporary or permanent), and staff unavailable (training, extended medical leave, etc.). The incoming MAC will be provided a copy of the report. Based on workload and staffing reports, it is possible that CMS, in consultation with both the incoming and outgoing MACs, will decide to move a particular function to the incoming MAC sooner than originally planned. Should this occur, the incoming and outgoing MACs' project schedules and costs would need to be modified accordingly.

5.7.3.5 Internal Controls

The incoming MAC will be reviewing internal controls (also known as management controls) since MACs must annually evaluate and report on their control and financial systems for program integrity. The incoming MAC will be looking at controls that ensure that costs comply with applicable law, assets are properly safeguarded, and revenues (e.g., overpayments) and expenditures are properly accounted for.

The incoming MAC will review the indicators of the outgoing MAC's internal controls, especially if the incoming MAC may hire the outgoing MAC's management and staff or use them in a subcontracting/partnering arrangement. The incoming MAC may review recent Chief Financial Officer (CFO) audit reports and Statement on Auditing Standards No.70 (SAS 70) audit reports. It may also request the outgoing MAC's own reports on internal controls such as the Certification Package for Internal Controls. If the outgoing MAC believes that the aforementioned reports contain business/proprietary information and should not be released, it should contact the outgoing MAC Contracting Officer. See **Chapter 5.5** and **Exhibit 4, Outgoing MAC Information/Documentation**.

5.7.3.6 Performance Evaluation

It is possible that there will be an Action Plan, Corrective Action Plan (CAP), or other type of corrective action in place for nonconforming performance at the outgoing DME MAC's operation as a result of a Quality Assurance Surveillance Program (QASP) or other type of CMS/government review (e.g., CFO, A-123, SAS-70, OIG audit). If so, the disposition of any corrective action will depend upon several factors, such as the incoming MAC's contract requirements and the relationship that the incoming MAC will have with the outgoing MAC or its staff after cutover.

If the outgoing MAC will have a contractual relationship with the incoming MAC (e.g., subcontractor, partnering arrangement, etc.) or if the incoming MAC will be utilizing the outgoing MAC's staff and/or facilities (e.g., a turnkey arrangement), CMS will determine if the action plan will continue after cutover to the new MAC or if it can be closed because of the incoming MAC's processes or operational procedures, either in place or proposed. If it cannot be closed, the incoming MAC will be responsible for completing any outstanding parts of the plan once the incoming MAC becomes operational, or develop an alternative action plan with the approval of CMS.

If the incoming MAC is an existing MAC with no corrective action plan(s) in place for its performance, or if the incoming MAC will have no relationship with the outgoing MAC or its staff, then there should be no need for the incoming MAC to become involved with the outgoing MAC's corrective action, other than knowledge of its existence and any effect it may have on the incoming MAC's own operation.

5.7.4 *Functional Area Assessments*

As part of its operational assessment and preparation for transferring the outgoing MAC's Medicare workload, the incoming MAC will need to review information and processes for the following functional areas:

5.7.4.1 Claims Processing

The outgoing MAC will need to provide workload data for all claims processing areas for the current and preceding year. High volume edits, returns, and rejects should be provided, along with any contract compliance and/or service issues. Any backlogs

should be identified so that the incoming MAC can determine if it would be advantageous to move certain functions earlier than planned. Any unique processing requirements, special claims processing arrangements, or information on demonstration projects should also be provided.

The incoming MAC will be interested in obtaining claims operations documentation so that it can review claims controls, reason codes, monitoring and reporting procedures, quality assurance processes, and the compliance edit process. This will assist the incoming MAC in determining procedural differences between its operation and the outgoing MAC's operation. The incoming MAC will also normally request to review desk procedures and management reports.

5.7.4.2 Provider Customer Service

The incoming MAC will review the OMAC's provider service policies and procedures so that it can determine procedural variances. A listing of top reasons for inquiries will be helpful, as will a listing of providers (including provider number) with high call volumes. Also, a list of challenging providers with consistent issues should be provided. The incoming MAC should also review complaint analysis summaries for the past year, if applicable, and evaluate the number of unresolved pending complaints. In addition, the outgoing MAC should provide a historical analysis and trending reports for the past two years.

The outgoing MAC should provide current customer service workload data such as open provider written and telephone inquiries. The incoming MAC will analyze data on call backs, email inquiries, the logging and tracking of calls and written inquiries, quality call monitoring, and any walk-in activity. Copies of quality focused audits performed in the past year and any CMS, OIG, or other external reviews should be provided. The incoming MAC may also ask to examine items as automation for correspondence generation, forms, listings, and routine reports.

5.7.4.3 Medicare Secondary Payer (MSP)

The outgoing MAC will be requested to provide MSP documentation so that current operations, desk procedures, and management reports may be analyzed. The incoming MAC may ask for copies of MSP reports relative to workloads and pending caseload. Also, a list of all open/active cases and correspondence may be requested. The incoming MAC should review MSP prepayment claims processing, MSP post payment activities (pending subrogation liability cases, IRS/SSA/CMS data match files and outstanding cases, routine recovery), and MSP debt referral (DCIA process).

The incoming MAC should review the status of MSP accounts receivable (AR) and will normally observe the AR review that is conducted by CMS. The IMAC will also need to determine the status of the MSP accounts receivable write-off and identify and reconcile MSP accounts receivable for its 750/751 reporting. See **Chapter 7.2** and **7.3**.

5.7.4.4 Medical Review

Medical review (MR) policies, desk procedures, edits, automated review tools, inventory, and management reports should be provided to the incoming MAC. The IMAC must review policies, articles, advisories, and mailings for compatibility and retention. Medical records storage/retrieval and privacy act compliance may also be evaluated. The outgoing MAC should provide the incoming MAC with MR/Local Provider Education and Training (LPET) strategy and the procedures of identifying program vulnerabilities. The IMAC will also want to analyze progressive corrective action (PCA) procedures, reports, programs, data, and related activities. Data analysis methodology will need to be assessed. This includes the number and type of edits, edit effectiveness, the number and type of probes, and software for trending reports. Statistics used to determine pattern analysis and other data analysis techniques should also be reviewed by the incoming MAC. In addition, tracking techniques for monitoring effectiveness of edits and educational activities should be analyzed.

5.7.4.5 Appeals

Information should be provided to the incoming MAC regarding appeal procedures, including the status of any first level appeals (redeterminations) that are in progress. The outgoing MAC should develop an estimate of the redeterminations that will be completed prior to cutover and those that will be forwarded to the incoming MAC. Also, the outgoing MAC will need to identify any redeterminations forwarded to the Qualified Independent Contractor (QIC), any outstanding requests from the QIC for reconsideration case files, and/or any effectuations that are in progress.

5.7.4.6 Provider Audit

The incoming MAC will need to evaluate the outgoing MAC's provider audit operations. This will include all activities relating to cost report acceptance through cost report settlement. It also includes all work related to reopenings and appeals. The incoming MAC will evaluate Cost Report acceptance, Tentative Settlement, and Cost-to-Charge Ratio policies and procedures to determine if there will be changes after cutover. Audit safeguard policies such as workload rotation policy and auditor independence may also be evaluated, as well as the settlement and finalization process. The annual master audit plan should be provided to the incoming MAC to assist it in developing its master audit plan for the coming year. This would include all cost reports to be received, reviewed, audited and settled during the year. It would also include recurring, time-specific activities such as the wage index.

The outgoing MAC will need to provide the location and status of desk reviews and audit reviews, as well as exception requests, reopenings, appeals and settlements, wage index reviews, hospital audits and on-site reviews. An inventory of audit data that will be finalized by cutover should also be prepared, as should an inventory of filed cost reports that will be unprocessed at cutover. In addition, the IMAC will need information on provider file storage.

5.7.4.7 Provider Reimbursement

The incoming MAC will need to ensure that it establishes accurate interim rates, provides key financial reporting, and collects overpayments timely. In order to accomplish this, it will need to obtain current interim rate policies and procedures. The IMAC should also obtain provider schedules for interim rate review. The year-to-date accuracy of interim payments will need to be reviewed, as should the tracking of settlements and interim payments. The IMAC should also obtain an inventory of pending interim rate reviews. The incoming MAC will need to get TEFRA, Per Resident Amount (PRA), and Ambulance rates along with an inventory log of all historical rates and supporting calculations. The IMAC should obtain Sole Community Hospital (SCH) information and review cumulative target amounts for multiple years. It will also want to verify provider profile data, provider rates, and address information.

The outgoing MAC should also supply information on its debt collection and referral process. The incoming MAC should review the demand letters/tracking process, the Provider Overpayment Report (POR)/ Physician and Supplier Overpayment Recovery (PSOR) entry and reconciliation processes, and the process for entering debts into the debt collection system. The IMAC may also want to review overpayment correspondence and obtain historical settlement data. Documentation and referrals will need to be reviewed to determine the status of outstanding overpayments. Additionally, the MAC may review outstanding claims accounts receivables, extended repayment schedules, and outstanding accelerated payments. Internal accounting will also be evaluated by analyzing monthly reporting, payment cycles, distribution of Remittance Advices, checks, EFTs, and balancing procedures.

5.7.4.8 Provider Enrollment

The outgoing MAC will provide the incoming MAC with the current provider enrollment inventory in order to ensure that the process for enrolling providers and verifying provider ownership and qualification data will function properly at cutover. The IMAC will need to assess enrollment procedures and provider application processing timeliness, as well as the provider application pending workload. The incoming and outgoing MACs will determine when the cutoff for request will occur and when all applications will be forwarded to the incoming MAC. Both MACs must coordinate the notification to providers regarding when and where applications should be mailed.

5.7.4.9 Provider Education and Training

The incoming MAC will need to obtain training history from the outgoing MAC. This includes the locations of meetings, topics, frequency, attendee mailing information, and telephone numbers. The outgoing MAC may also wish to review training materials such as presentations, curriculum, and manuals/handbooks. The outgoing MAC's provider bulletins and newsletters from the past two years may be of benefit as the incoming MAC develops its education and training plans.

5.8 EDI Assessment

The outgoing MAC will need to provide EMC/EDI information so that the incoming MAC can establish effective EDI processes for all claims submitters and trading partners. The outgoing MAC must provide the incoming MAC with a complete listing of all providers, suppliers, vendors, and trading partners who are currently submitting electronic transactions. The listing must identify whether submitters are transmitting claims via EDI or DDE, and whether the format is HIPAA compliant. The outgoing MAC should also provide Electronic Remittance Notice (ERN) and Electronic Funds Transfer (EFT) information, as well as EMC submission rates. The outgoing MAC should also provide the incoming MAC with a list of providers who are not submitting electronically and using hard copy, faxes, or OCR to submit claims.

The incoming MAC should be aware of any special outgoing MAC claim edits that may need to be incorporated into its claims processing environment. The IMAC must also determine if it interprets the standard format values differently than the outgoing MAC. Additionally, the incoming MAC needs to be aware of any information (other than claims) that is accepted by the OMAC in a paperless manner and will need to determine whether or not it will be able to accept those items.

An incoming Part A/Part B MAC will need to determine if the outgoing MAC's EMC submissions come into a corporate network or directly to the Medicare operation. If EMC comes into a corporate network, the incoming MAC needs to determine if Medicare and corporate files are commingled. If EMC files are commingled, the files must be separated so they can be furnished to the incoming MAC.

Unless otherwise determined, EDI submitters will **not** have to complete new EDI enrollment forms when a new Part A/Part B MAC assumes the workload. However, existing forms will need to be inventoried and must be transferred to the incoming MAC at cutover. This transfer does not apply to DME MACs since all DME EDI enrollment forms are maintained by the Common Electronic Data Interchange (CEDI) contractor.

5.8.1 *Early Boarding*

The incoming MAC may choose to offer "early boarding" to EDI submitters. Early boarding allows current EDI submitters to have an extended period of time to update connectivity and communication processes and to become comfortable using the IMAC's new EDI front end system prior to the cutover date. It allows submitters who have successfully tested EDI submission and reception to migrate to the incoming MAC's front-end prior to the actual cutover. Early boarders avoid the normal last minute rush at cutover and any unnecessary delays in payments. CMS strongly encourages the use of early boarding.

During early boarding, submitters will submit claims to the incoming MAC's new EDI gateway, using their current outgoing MAC ID and submitter ID. In most cases, the incoming MAC will forward submitters' claims to the outgoing MAC for processing. The outgoing MAC will return acknowledgement and error reports regarding the submission to the

incoming MAC, who will then forward them to the submitters. The MAC should discuss the plans for early boarding with the outgoing MAC to ensure that there will not be any claims processing issues. Everyone should agree to the details of the process before early boarding begins.

Since DME submitters utilize a common front-end application, claims submission will not change with the new DME MAC and there would not normally be any need for early boarding.

5.8.2 *Electronic Funds Transfer*

Providers and suppliers who are receiving payments via Electronic Funds Transfer (EFT) from the outgoing MAC must continue to receive EFT payments from the incoming MAC. Therefore, the outgoing MAC must provide the incoming MAC with a listing of active providers and suppliers utilizing EFT. This listing should include each provider's PTA and Tax Identification Number. The incoming MAC should receive an up-to-date listing several times throughout the implementation to ensure that have accounted for all active EFT providers/suppliers prior to cutover.

Effective August 1, 2011, all providers and suppliers are required to use the new 05/10 version of the CMS-588 form. The new form authorizes CMS to make electronic payments and allows CMS to assign its payment rights to a designated Medicare fee-for-service contractor, who may be changed at CMS's discretion. Therefore, any provider who has signed a Form CMS-588 (05/10) is not required to complete a new form solely because a new MAC will be administering the jurisdiction. For those providers who have completed a Form CMS-588 (05/10), the outgoing MAC will transfer the forms to the incoming MAC during cutover, similar to the EDI enrollment forms (see **Chapter 5.8** above).

5.9 Print/Mail Operations

The incoming MAC may analyze mailroom workflow, functions (control, imaging, activation, etc.), and operations to determine how mail functions will be transferred. A breakout of the types of mail received and the average volumes by day should be provided to the incoming MAC, along with the volume of system generated and non-system generated mail.

Agreement will have to be reached on how existing mail will be transferred at cutover and how mail received by the outgoing MAC after cutover will be forwarded to the IMAC. Also, there will need to be an agreement on how checks that are received after cutover will be handled (**Chapter 7.4.2**). A decision will have to be made on the disposition of post office boxes and whether or not any of the boxes will be transferred to the incoming MAC. Additionally, the outgoing MAC should provide the IMAC with information on any mail services contractor that it uses for pick up, delivery, presorting, metering of letters, etc.

Print job requirements, formats, and processes will be analyzed by the incoming MAC. Information regarding usage trends for letterheads, envelopes, and internal forms should

be provided. The incoming MAC may also ask to review sample MSNs, provider remittance advices, letters, and reports.

The MAC will need to understand the current process and schedule that the outgoing MAC uses to generate and mail MSNs. The print output should be thoroughly tested. Testing should include MSNs, provider remittance advices, and letter and report generation.

5.10 Licenses

Licensing agreements can affect a number of contractor activities including EMC software, mail, PC software, imaging equipment, and data analysis tools. It is possible that the incoming MAC may wish to assume certain licenses held by the outgoing MAC and those licenses should be evaluated on an individual basis. Licenses may be transferred if both parties agree and the language in the agreement allows for such a transfer. If the license agreement has no provisions for a transfer, or if the parties cannot agree to transfer terms, then no transfer can be made and the incoming MAC will have to obtain a new license.

5.11 Determining Stop Work Dates

There will be a need for the incoming and outgoing MACs to discuss and agree upon the dates when the various workload types should discontinue being processed in the outgoing MAC's region.

It is critical to establish key dates for the major functions/tasks that drive the overall stop work process. These key dates include last day to scan, last outgoing MAC cycles, first incoming MAC cycles, etc. The chart below outlines the critical items that need to be predetermined by the outgoing contractor Closeout Project Manager and the MAC Implementation Project Manager before the individual workgroups can begin their discussions. It is also advisable to pre-determine uniform stop dates for functions which impact a number of departments (i.e., adjustments) so that all areas are working from a common date. Once the key dates are established, a timeline should be developed and distributed to the workgroups to begin their planning. **No workgroups should begin stop work date discussions before these critical dates are determined and shared with the workgroups.**

Some dates may require CMS approval and/or may not be firmed up until after production simulation (i.e., number of dark days may increase/decrease). The incoming and outgoing MACs should do their best to estimate these dates until the final dates are established. If key dates on the timeline change, the incoming MAC should distribute the revised timeline to all workgroups so they can adjust their stop work dates accordingly.

Task	Day of Week/Date
Last day to scan paper claims	
Last day to scan correspondence	
Last day to scan OCR	
Last day to scan provider enrollment applications	
Last day to establish new EDI enrollments	
Last day to initiate adjustments/reopenings	
Last day to initiate mass adjustments	
Last day to apply checks	
Date OGC lock box closes (if applicable)	
Last day to receive EMC claims	
Last cycle date for OGC	
Dark day(s)	
Cutover day	
Go Live day	
First incoming MAC payment cycle	

5.12 File Inventory

During the transition, the incoming and outgoing MACs shall work together to identify all files that will need to be transferred to the incoming MAC.

5.12.1 General

As soon as possible after contract award, the outgoing MAC will develop an inventory of Medicare files in its possession (electronic data files, hardcopy, microfilm, microfiche, tape files, etc.) During this process, the OMAC must also identify files that are in a proprietary format which would preclude the use of the data by the incoming MAC. If such is the case, the outgoing MAC will need to convert the files to a standard or flat file format. The inventory should include the file content description, data set information, tape and file processing methods, and record information. A draft inventory should be provided to the incoming MAC, with a copy to CMS, at least **45 days** prior to cutover. All required updates to files **must be completed** prior to transfer.

The incoming MAC will use the inventory to identify the files that it will need for its Medicare operation. The identified files will be the basis for the file transfer plan that will be developed jointly by the incoming and outgoing MACs (see **Chapter 6.10.2**). A list of the types of files that an incoming MAC would request from an outgoing MAC is found in **Exhibit 5, Files to be Transferred to a Medicare Administrative Contractor**.

The incoming MAC will need to be aware of any data access agreement that the outgoing MAC may have with another Medicare claims processor who possesses old commingled Medicare records that include providers currently serviced by the OMAC. A copy of the

agreement should be provided to the incoming MAC so that it can negotiate a new data access agreement.

5.12.2 *Mainframe Files*

The movement of mainframe files may be internal or external, depending on where the files are located. The structure of all the files will need to be provided to the incoming MAC, along with a description of each directory. Support files such as print/mail, EDI, financial, and ad hoc interfaces must be included. Passwords will need to be removed from the files. The actual transfer method/process must be agreed upon with the incoming MAC, with responsibilities acknowledged.

5.12.3 *LAN/PC-Based Files*

LAN/PC-based files may need to be provided to the incoming MAC at cutover. These files include Excel spreadsheets, access databases, and emails. The incoming MAC will review LAN file listings and transfer protocols similar to those of the mainframe files will be established.

5.12.4 *Hardcopy Files*

Prior to the actual transfer of files, the outgoing MAC must provide CMS and the incoming MAC with a detailed inventory hardcopy files. The inventory must include a description of the files, including contents, size, dates, etc. All paper files (archived and active, on and off-site) shall be inventoried. The OMAC must also provide storage site information (location, type of files stored, content, volume, security, etc.). Once the inventory has been prepared, the IMAC will begin to develop a draft file transfer plan with tentative shipping dates and work with the outgoing MAC to ensure that those dates can be accommodated.

The incoming MAC must determine whether to keep existing storage arrangements or move the files to another location. Any files to be moved would be included in the file transfer plan developed jointly with the incoming MAC (see **Chapter 6.10.2**). The IMAC should schedule a meeting with the outgoing MAC and the storage facility to discuss transfer activities and access. If requested, the existing storage site contract(s) should be provided to the incoming MAC so that it can determine if it can assume the contract or will have to negotiate a new agreement.

5.13 **Contract Compliance**

The outgoing MAC is reminded that full compliance with CMS requirements continues throughout the term of its contract. It is possible that the Office of Inspector General (OIG) will select the outgoing MAC for a review that will encompass a period of time prior to the cessation of contractor operations. These audits may be performed either directly by the OIG or through a subcontracting arrangement.

Cooperation and compliance in providing requested documentation for any audit is mandatory. The outgoing MAC is obligated to insure that any subcontractors (e.g., data center services, print mail, call center, etc.) also comply with the requirement to cooperate fully and promptly respond to any request for access to data. Failure to fully support requests for documentation may result in a limitation of audit scope. This can result in the citation of a material weakness which could impact an opinion on the adequacy of general controls company-wide or have other consequences.

5.14 Assisting Incoming MAC Communication Efforts

The incoming MAC must make sure that providers have a complete understanding of what will be required of them during the transition and the impact of any changes that will occur. It will also be responsible for communicating information regarding the progress of the implementation to beneficiaries and other stakeholders. In order to do this effectively, the incoming MAC will need to partner with the outgoing MAC to ensure that information is transmitted clearly and frequently during the transition period.

5.14.1 *General*

The incoming MAC will develop a communication plan that outlines the processes and procedures that it will follow to ensure that all stakeholders are provided with appropriate information regarding the transition. The IMAC will submit a draft plan to CMS at contract award. The outgoing MAC will provide input to the plan during the kickoff and a baseline document will be prepared by the IMAC. The baseline plan will be used to manage communication efforts and allow CMS to monitor activities.

The outgoing MAC is a valuable resource to the IMAC because it possesses detailed information about communications with the various provider groups, associations, government officials, and other stakeholders within the jurisdiction. CMS expects that the outgoing MAC will assist in providing information to beneficiaries and providers throughout the transition period in accordance with the mutually agreed upon communication plan. Outgoing MAC transition communications may include the use of IMAC-developed language for MSNs and Remittance Advices, newsletter articles, scripts for the ARU/IVR, and links to the incoming MAC's website.

5.14.2 *Provider Communication*

Provider communication will be one of the most important activities for the incoming MAC during the transition. Providers are affected most by the change in Medicare contractors and they have a large financial stake in the project. As such, the incoming MAC must ensure that it makes every effort to inform and properly educate providers about the transition. CMS expects that the outgoing MAC will assist the incoming MAC in its provider communication efforts.

5.14.2.1 Associations

It is important for the incoming MAC to establish a relationship with the major professional organizations such as hospital associations, medical societies, and specialty groups. The outgoing MAC will need to provide information and contacts for provider groups. It should discuss its working relationship with these groups and provide the incoming MAC with points of contact. When the outgoing MAC holds its regularly scheduled provider/association/specialty group meetings, the incoming MAC should be invited to attend so that it can be introduced and make a presentation. The incoming MAC should also attend any Provider Advisory Group (PAG) and/or Provider Communication Advisory Group (PCOM) meetings.

5.14.2.2 Providers

A complete list of providers should be made available to the incoming MAC. The list should include such information as name, address, contact person, email address, Employer Identification Number (EIN), and EMC/EFT information. The MACs should work together to develop articles about the transition for provider bulletins and other publications. Approximately two months prior to cutover, the incoming MAC will develop language for Remittance Advices that will remind providers of the change in Medicare contractor.

5.14.2.3 Workshops/Seminars

The incoming MAC may hold provider workshops or seminars to provide a more detailed discussion of how to prepare for the upcoming change of MACs. Topics would include EMC/EFT, claims submission and address changes, dark days, edits, any release of the payment floor, and the possibility of increased suspension/rejection of claims. If workshops/seminars are held, they will normally be scheduled six to eight weeks prior to cutover.

The outgoing MAC can prove valuable assistance to the incoming MAC in planning these types of activities. It can provide input to the workshop/seminar schedule, content of the presentation, proposed meeting locations, hotels, and meeting facilities. If possible, an outgoing MAC representative should be in attendance at each session to provide assistance to the incoming MAC with its presentation.

5.14.2.4 Electronic Mailing Lists (Listservs)

The incoming MAC will use electronic mailing lists (listservs) to provide updated and critical information to providers and other stakeholders regarding implementation activities and project schedule dates. All MACs are required to protect their listserv(s) from unauthorized access or inappropriate usage. Generally, listservs should not be shared, sold, or transferred to any other entity. However, the incoming MAC may request that the outgoing MAC transfer its electronic mailing list(s) in order to facilitate rapid electronic communications with the providers/ suppliers in the outgoing MAC's

service area. CMS has deemed it to be in the best interests of the Medicare program to share listserv information with an incoming MAC. Therefore, at the beginning of the implementation, the OMAC should provide the email subscriber list file for any listserv that it maintains. The outgoing MAC will need to obtain written permission from its Contracting Officer's Representative prior to transferring the list.

5.14.3 Beneficiary Communication

As with providers, the outgoing MAC should assist the incoming MAC with its beneficiary communications. The following contacts should be provided to the incoming MAC for its communication efforts:

- beneficiary associations and groups such as AARP.
- state and local government agencies dealing with the aged.
- Social Security Administration district offices.
- senior citizen centers.
- community centers/libraries/retirement centers.

The incoming MAC should attend any regularly scheduled beneficiary outreach or advisory/advocacy group meetings. The outgoing MAC can help the incoming MAC assess demographic and language needs and help the incoming MAC develop language for any mail stuffers or MSN messages. These messages should begin approximately two months prior to cutover.

Chapter 6: CUTOVER AND POST-CUTOVER ACTIVITIES

6.1 Definitions

Cutover

Cutover is the actual point in time when the outgoing MAC ceases Medicare operations and the incoming MAC begins to perform those functions.

Cutover Period

The cutover period is defined as the period of time surrounding the actual cutover. It usually begins **10-14 days** prior to the cutover and ends with the incoming MAC's Operational Start Date, defined as the day that the MAC begins normal Medicare operations for the workload that it assumed at cutover. During the cutover period the outgoing MAC makes final preparations to shut down its operation and transfer its claims workload and administrative activities. Correspondingly, the incoming MAC makes final preparations for the receipt and utilization of Medicare data, files, and acquired assets. The activities that occur within the cutover period and shown on the cutover plan (see **Chapter 6.2** below) are normally referred to as cutover tasks.

Post-Cutover

Post-cutover is a CMS-designated period of time beginning with the MAC's Operational Start Date. The post-cutover period is when CMS will closely monitor the new MAC's operations and performance to ensure the timely and correct processing of claims for the workload that was transferred. CMS will also track any open JIPP/ CPP issues, as well as any problems associated with the cutover. While the outgoing MAC is no longer processing Medicare claims in the post-cutover period, it will be performing miscellaneous wrap-up tasks and contract closeout activities until the end of its period of performance.

6.2 Cutover Plan

The incoming MAC will be required to submit a cutover plan for the workload that will be transferred. The cutover plan must be developed jointly with the outgoing MAC, along with input from the EDC, standard system maintainers, CWF, CEDI contractor (DME) and any other entity that will be playing a significant role in the actual transfer of the workload. CMS must approve the cutover plan. There are a number of factors that will influence the cutover plan and all parties will need to work together to determine a complete list of cutover activities, dates, and times. Planning should be done well in advance of the cutover to ensure a smooth transition.

The Medicare Implementation Support Contractor (MISC) has prepared the MAC Implementation Cutover and Workload Transfer Guide that contains specific cutover information, detailed tasks, and lessons learned from previous cutovers. This document is extremely helpful in planning and developing a cutover plan. A current version of the guide will be distributed at the jurisdiction kickoff.

The cutover plan shall be a separate document from the incoming MAC's JIPP/SIPP or the outgoing MAC's Closeout Project Plan. For Part A/Part B MACs, separate plans for Part A and Part B may be necessary. The cutover plan will contain very detailed and specific information, showing tasks at a very low level, and it may be detailed to an hourly level at times. Many MACs use the plan as a checklist and to script the events and deliverable dates during the cutover period. The cutover plan must be developed jointly with the outgoing MAC, along with input from CMS, the EDC, the PSC, and any other entity that will be playing a significant role in the actual transfer of the segment workload. The MAC should also work with impacted peripheral system maintainers (e.g. NGD, NPI, CERT, CWF, PECOS, COBC, etc.) to document all tasks related to their systems and to whom those tasks are assigned. The incoming MAC should verify that assigned individuals are aware of the assignments and prepared to complete the tasks. This is especially true of tasks assigned to CMS staff members for NPI file processing.

The cutover plan should show the responsible organization, any JIPP/PPP task number, the responsible workgroup, the task description, start and finish times, status, and comments. All parties must agree on the schedule and the tasks to be performed so that there is no confusion regarding timeframes, the specific cutover responsibilities for each organization, items to be transferred, and terminology. The incoming MAC has the overall responsibility for preparing the cutover plan and submitting it to CMS. The plan must be distributed to all involved parties, transition team members, and workgroups. The plan should be updated and distributed daily when the cutover period begins.

After a draft of the cutover plan has been developed, many incoming MACs have found it helpful to have a teleconference with all parties involved in the cutover to walk through the plan. Each cutover task will be discussed so that all parties involved understand what specific activities will be taking place and at what times.

6.3 Cutover Workgroup

Normally, a cutover workgroup will be established to manage cutover activities. It should be composed of representatives from the incoming and outgoing MACs, CMS, and other involved parties; e.g., EDC, shared system maintainers, HIGLAS, PSC, CEDI (DME), NSC (DME), etc. The workgroup will be responsible for cutover planning and scheduling, developing the cutover plan, and facilitating the data migration. As with all workgroups, it should be established in accordance with **Chapter 3.7**. While some incoming MACs have waited for a period of time after kickoff to formally start the cutover workgroup, given the necessary coordination and complexities of the cutover, it is recommended that the workgroup start immediately after kickoff, along with the rest of the workgroups.

The cutover workgroup will need to be aware of all of the other workgroups and their activities. It is important that all workgroup meeting minutes and issues/deliverables logs are forwarded to the cutover workgroup head. The group must be informed of any decisions made by the incoming MAC Implementation Project Manager, the outgoing MAC Closeout Project Manager, and/or other workgroups heads which will impact the manner or circumstances of the transfer of the Medicare workload. The other transition workgroups will provide input to the tentative cutover tasks and timing developed by the cutover workgroup. They will propose additions and/or deletions to the task list and recommend any schedule change. With the input from all of the other workgroups, the cutover workgroup will coordinate the cessation of activities (file changes, mail, etc.), determine the necessary production interruptions (EMC, OSA queries), establish dark days, and schedule and monitor the actual transfer of files and assets.

As with any other workgroup, cutover meetings will be held weekly and the agenda will follow the same format, including discussion of cutover issues, action items and accomplishments. Meetings should also discuss transition task progress, current inventories, risk evaluation, file transfer, and any facility or human resources updates. All cutover issues that are identified by CMS or raised in the status reports, workgroup minutes, or any other forum must be placed on the issues log documenting cutover issues and discussed at each workgroup call.

6.4 Daily Cutover Meeting

At the beginning of the cutover period (approximately **10-14 days** before cutover), the incoming MAC should begin daily cutover teleconferences with the outgoing MAC, CMS, the EDC, and the other parties involved in the transition. The purpose of the meeting is to go over the cutover plan and the daily events that are scheduled to occur. The incoming and outgoing MACs and the EDC should also provide a brief synopsis of the previous night's activities. Participants will then review the cutover plan checklist of activities scheduled for the day and determine if tasks scheduled for the prior day(s) have been accomplished. The meeting will also discuss activities for the upcoming day to ensure that everyone is in agreement as to what needs to be accomplished. In addition, the meeting should review any problem log or issues identified by any of the other workgroups that pertain to the cutover.

The time of day for the daily teleconference has varied among MACs. Some MACs have held meetings in the late morning, while others have conducted meetings in the afternoon so that more information was available and task completions could be better assessed. Incoming MACs have also found it helpful to have two daily cutover meetings beginning several days prior to the actual cutover in order to monitor the increasing number of activities that take place throughout the day. The IMAC should document the daily cutover meetings and highlight any issues or action items. The cutover plan and issues/actions log should be updated and distributed prior to the next daily meeting.

The outgoing MAC should have a representative available throughout the cutover period and for the week after cutover, unless it is determined by CMS that his/her participation

is not required. Key personnel involved in the cutover should have a backup means of communication so that they may be able to be reached in case of an emergency. Cutover meetings will continue on a daily basis through at least the first week of post-cutover operations. At that point, CMS will make a decision as to the frequency of the meetings.

6.5 “Go/No Go” Call

CMS may wish to have a formal “go/no-go” teleconference with the transition participants approximately **7-14 days** prior to the cutover. The purpose of the meeting is to ensure that all participants in the transition are in agreement that there are no outstanding issues that would prevent the initiation of the final cutover activities that will culminate in the incoming MAC contractually assuming responsibility for all Medicare claims processing functions. If such a meeting will be held, the CMS Implementation Lead will coordinate with the incoming MAC regarding the date and time. The IMAC will be responsible for setting up the meeting and providing toll-free lines. All parties directly involved in the cutover activities should be in attendance.

6.6 Cutover Simulation

The incoming MAC may conduct a cutover simulation prior to cutover. Cutover simulation is the process of executing the cutover plan, using production data, prior to the actual cutover in order to test the process and gauge execution time for the entire process. It will identify missing tasks and/or sequencing in the cutover plan, and will identify issues that would have occurred at cutover (e.g., bank file issues, check printing issues, HPTP, etc.) so that they may be corrected. It will help ensure that all NDM jobs are identified and all associated programming changes are completed at the time of cutover.

A cutover simulation will require the participation of the parties that will be involved in the actual cutover. To the extent possible, the staff used during the simulation should be the same staff that will be used at cutover and the participants should simulate all of activities for which they will be responsible. The more familiar staff becomes with their assigned cutover responsibilities, the less chance there will be that problems or misunderstandings will arise during the actual cutover.

It is important that the incoming and outgoing MACs and the EDC discuss key activities during the planning stages of cutover simulation. Decisions will need to be made on actions such as dark days, payment cycles, and the possible need for a payment floor release. In addition, there will need to be decisions on financial reporting closeout activities, including when the outgoing MAC’s final payment cycle will occur. The need and the timing of these activities should be determined and agreed upon at this juncture so that testing can be performed to eliminate any unexpected issues during cutover.

Weekends are the best time to conduct cutover simulations; however, EDC and telecommunications down times must be considered when determining the schedule. If deemed necessary, the cutover plan should allow for two simulations. The second simulation may not be necessary if there are no problems discovered during the first

simulation. Both simulations should occur early enough to allow time to resolve problems prior to cutover. Cutover simulations should occur in test regions that best reflect the production regions. All issues identified during cutover simulation must be added to the issues log and reported at cutover meetings. This communication is vital to ensure that the appropriate parties are aware of all outstanding issues and the person who has responsibility for their resolution.

6.7 System Dark Days

One of the issues for discussion and resolution during the transition will be the number of system “dark days” that will occur at cutover. During the cutover, the outgoing MAC must complete all billing cycles, validate payments, cut payment checks, and prepare financial and workload reports prior to the actual cutover and the end of its Medicare contract. The incoming MAC must verify that all telecommunications, hardware, software, and equipment are installed, tested, and properly functioning after the cutover. In addition, the IMAC will need to run cycles to check out the transferred files and claims processing functions. The EDC will also be changing contractor numbers and identifiers for reports, database tables, etc.

The time that it takes to accomplish these activities will vary from one transition to another. Cutover normally occurs during a weekend at the end of a month. However, if the outgoing MAC is on HIGLAS, cutover will need to be in the middle of the month. Most of the time, two weekend days is insufficient to complete all of the cutover activities. If such is the case, then a “**dark**” day or days will be required.

A dark day is a business day (Monday-Friday) during the cutover period when the Medicare claims processing system is not available for normal business operations. There is no online access or capability, providers cannot access the system, current claim information cannot be provided, there is no direct data entry (DDE), and claims cannot be processed.

System dark days may occur between the time the outgoing MAC ends its final batch cycle and the incoming MAC begins its first day of normal business operations for the jurisdiction. Providers may submit EMC during dark days. Other than claims that may be processed as part of the system checkout, EMC will be held and processed after cutover, normally on a staggered basis during the incoming MAC’s first week of operation. Hardcopy claims may be keyed, but only if stored and submitted when regular processing cycles have begun. While Customer Service Representatives (CSRs) could field certain inquiries during a dark day, normally there is no customer service available. IVR information will be limited to information from the final run of the outgoing MAC until completion of the incoming MAC’s first cycle.

Some cutover schedules may include a “**dim**” day. A dim day is a business day where there is some limited access to the system. It usually occurs after the actual cutover when the incoming MAC is validating its system and checking out its operation. As various components and portions of the claims processing system are validated, they will become

available for access by providers. Providers should be able to get up-to-date information from the IVR. Customer service representatives may also be able to respond to some inquiries.

The incoming MAC, in conjunction with the outgoing MAC, EDC, HIGLAS (if applicable), CWF, and shared system maintainer, must develop a cutover schedule and agree to the number of dark days that will provide sufficient time to accomplish all of the cutover activities. The number of dark days that are necessary will vary depending on the calendar, the workload volume of the outgoing MAC, the length of time required for the outgoing MAC's final cycles and closeout activities, and the various other cutover activities that may have to be performed by other functional contractors.

Most cutovers will require one or two dark days, but some cutovers may require more. CMS must be involved in the dark day discussions and a formal request for dark day approval must be submitted to CMS. CMS will consider the reasonableness of the involved parties' proposal and the assurances that provider impacts were taken into account. CMS will provide final approval of the number of dark days for the outgoing MAC and/or the incoming MAC as part of its approval of the overall cutover plan.

CMS expects that both the incoming and outgoing MACs will post cutover information frequently on their web sites and make listserv announcements to providers regarding the cutover. It is important that providers are aware of the number of scheduled dark days and the effect those days will have on claims submission. Providers will also need to know the availability of IVR and customer service representatives for inquiries, as well as the availability of EFT, ERAs, and the EDI/CEDI Helpdesk.

Some incoming MACs have found it beneficial to establish a status inquiry line over the cutover weekend so that interested parties can obtain frequent updates to the status of cutover activities.

6.8 Release of the Payment Floor

Discussions regarding the release of the payment floor usually begin in the cutover workgroup. Depending on the circumstances of the transition, the payment floor may or may not be released. If the floor is released, the time requirement for holding adjudicated claim payments is modified and claims are paid prior to their normal scheduled payment date. The release of the payment floor eliminates the need to transfer to the incoming MAC those outgoing MAC adjudicated claims that are waiting to be paid.

CMS has determined that the payment floor **will** only be released in the following situations:

- HIGLAS involvement during any cutover.
- Changes to the Part B MCS system during the cutover (e.g., splits, merges).

Accordingly, the payment floor **will not** be released for Part A and DME transitions that do not involve HIGLAS, nor for Part B transitions that do not involve HIGLAS or any MCS changes.

Release of the floor is known as “pay forward” when there is HIGLAS involvement in the cutover. The outgoing MAC must submit a pay forward request for the HIGLAS workload and other workloads within its organization. If the HIGLAS workload being moved to the incoming MAC will be merged into an existing HIGLAS organization, the MAC will also need to submit a pay forward request for the existing workloads within its organization.

The decision to release the payment floor should be made prior to or during production simulation planning and agreed upon by all stakeholders. CMS must formally approve the release of the payment floor. The incoming and outgoing MACs will develop a written plan for the release of the floor and its reinstatement. The plan will provide the reason for the release and describe the process and timing of the release. It should also analyze the impact that the release will have on the outgoing MAC’s other operations (EFT, ERAs, etc). In addition, the OMAC will need to discuss how the providers will be affected and how payment information will be communicated. If the floor will not be immediately reinstated by the incoming MAC at cutover, there must be some description of how the payment floor will be gradually reinstated.

The incoming and outgoing MACs must develop a sample communication to be distributed to the provider/supplier community by listserv and other means. It will address the change in payment schedule and the impact on the issuance of ERAs, paper checks, and EFT. It also should contain an explicit reminder about the weeks immediately following cutover. Providers must understand that during the first weeks after cutover they may receive lower payment amounts or no payment because claims submitted prior to the cutover were paid earlier than they normally would have been.

6.9 Financial Considerations

The incoming and outgoing MACs will need to discuss financial reporting requirements early in the implementation process to ensure that all parties clearly understand and agree to the activities that will occur. Particular attention should be paid to the cutover date and the “go live” (operational) date when determining the last financial cycle for the outgoing MAC. If it is determined that the outgoing MAC’s last financial cycle must occur a day or two prior to the last day of the month, considerations will need to be made to avoid having the outgoing MAC provide separate financial reporting for those days. Also, the incoming and outgoing MACs and the EDC need to consider if any further financial activity will need to be captured within the monthly and quarterly reports for those remaining days, and how it will be accomplished. These discussions should take place during cutover user acceptance testing (UAT) and production simulation to ensure any changes are tested prior to the actual cutover.

In addition, the incoming and outgoing MACs will also need to consider periodic interim payments (PIP) when determining cutover activities. Periodic interim payments to providers must be coordinated when the cutover payment cutoff date occurs within a PIP payment period.

If there is HIGLAS involved in the transition, the dates of the cycles and inputs need to be considered to ensure demand letters are dated correctly; manually correcting letters is labor intensive.

It should be noted that the incoming MAC will release Health Professional Shortage Area (HPSA) payments following the normal schedule. The outgoing MAC should not be requested to release payments prior to their scheduled release.

6.10 Data Migration

The outgoing MAC shall prepare all Medicare non-electronic files and records for transfer to the prescribed locations detailed in the final file transfer plan, which will be developed by both the incoming and outgoing MACs. Both MACs must comply with the requirements contained in **JSM TDL-10305, 06-01-10** and **JSM TDL-11058, 11-23-10** for the preparation and control of non-electronic files that will be transferred. For the shipment of electronic media, the outgoing MAC must comply with encryption standards set forth in **FIS 140-2**. Also see **Chapter 5.12**.

6.10.1 Final Inventory

During the cutover period, the outgoing MAC will provide the incoming MAC with a final inventory of all files and records that will be transferred (see **Chapter 5.12**). The final inventory will give a description of each file, including contents, size, dates, location, etc. The inventory list will be used by the workgroups or project managers to determine where files and records will reside after cutover and will be the basis for developing the final file transfer plan (see **Chapter 6.10.2** below). If there is more than one operational site for the outgoing MAC, an inventory must be prepared for each site. Any files that will be split and moved to another MAC or organization during the transition period must also be identified.

Once the inventory has been finalized, files should be verified to determine the quality of the inventory results. If records are not electronic, physical sampling should be performed to confirm the accuracy of the information recorded on the inventory form. To the extent possible, the incoming MAC will verify that all required updates to records have been made by the outgoing MAC prior to transfer.

6.10.2 File Transfer Plan

The incoming and outgoing MACs will develop a draft file and record transfer plan at least **30 days** prior to cutover and will finalize the plan in the cutover period using the outgoing MAC's final file inventory. Files may be 1) transferred to the incoming MAC's

facility for support of its operation; 2) kept at the existing operational site or existing storage facility with transfer of ownership; 3) sent to an incoming MAC storage facility or contracted storage facility; or 4) in the case of duplicative files, destroyed. The incoming and outgoing MACs should meet with the management of all storage facilities to discuss transfer access, protocols, and schedule.

The file transfer plan should describe the files and records to be transferred by type (suspense, EMC, audit and reimbursement, MSP, etc.) and destination. It should also establish a schedule for the transfer of the workload with shipping dates and times for any files to be moved. In addition, the plan should show the cutoff or stop work dates that the outgoing MAC will stop updating or processing particular types of claims or files. The plan should provide a description of the method of data transfer (e.g., tapes, NDM), transfer protocols, manifesting, packaging, and labeling for all claims and correspondence. The workload may be transferred in phases rather than all at one time, especially if there is serious staff attrition in certain areas of the OMAC's operation. This possibility should be accounted for in the outgoing MAC's risk management plan. CMS must be provided a copy of the final file transfer plan. See **Exhibit 14, File and Record Transfer Plan Contents** for additional information.

The incoming and outgoing MACs should work to insure that all required updates to files are made prior to transfer. A test transfer of files should be made prior to cutover and the incoming MAC must test transferred files as part of its system checkout at cutover.

6.10.3 *File Format*

Files scheduled to be transferred to an incoming MAC in an electronic format must not be in a proprietary format which would preclude the use of the data by the incoming MAC. Any electronic files stored in a proprietary format **MUST** be changed to a standard or flat file format prior to transfer to the incoming MAC. The costs associated with converting files from a proprietary format will be borne by the outgoing MAC.

6.10.4 *Encryption*

For electronic file transfers, CMS requires that Medicare contractors encrypt all personally identifiable information (PII) contained in a removable media when it is transferred from a Medicare contractor or data center. The encryption requirement may only be waived through written concurrence from the CMS business owner of the data and approval from the CMS CIO, Deputy CIO or Chief Technology Officer.

The only exception to this requirement is for tapes destined for off-site storage or for the purpose of data center transitions, and that data must be shipped using the proper precautions (i.e., locked in sturdy containers). Any other data containing PII that is physically leaving its current location must be encrypted. However, data sent by the network data mover (NDM) does not have to be encrypted since this is an approved and secure communication protocol.

CMS has also approved the use of USB disk drives to transfer electronic data provided that they are encrypted using an approved software product and the password meets CMS standards: 8 digits alphanumeric at a minimum. The password should be communicated separately. The transfer of data via email is also allowed as long as it is properly encrypted. Section 5.0 of the Business Partner Systems Security Manual states in part that business partners may now use the Internet to transmit sensitive information via encrypted attachments in accordance with all applicable CRs.

6.10.5 *Packing*

The transfer plan should provide for early packing of as many operational files as possible without any negative impact on the operations of the outgoing MAC. Normally, records are not all packed and moved at one time. The outgoing MAC should prepare and ship as many operational files as early as possible while it has the resources to do so, thereby mitigating the possibility of records being packed and/or labeled improperly. The outgoing MAC is also responsible for ensuring that the boxes containing data to be transferred to the incoming MAC are appropriate for the content and in suitable condition for shipment.

The OMAC should use a labeling system so that boxes are routed correctly to the incoming MAC for operational use or storage. At a minimum, the label of each box of files should display the title of the record series, and the earliest and latest dates of the records in the box. **All files to be physically transferred must be inventoried and tracked in accordance with the provisions of the Internet Only Manual (IOM) and applicable CMS information security requirements.** The OMAC should ensure that the workload counts derived from workload tracking systems and submitted to the incoming MAC prior to cutover also include any untracked work that has not been entered into the system.

CMS will be monitoring the process of packing and labeling during the transition process. CMS and/or the incoming MAC may make periodic on-site visits prior to shipment to insure that files are properly prepared, inventoried, and meet security requirements.

6.10.6 *Transfer of Hardcopy Files and Physical Assets*

The incoming MAC will be responsible for the shipment of files and any physical assets (equipment, supplies, furniture, etc.) that it obtains from the outgoing MAC. The method of shipment will normally be commercial common carrier; however, in certain situations, the MAC may find it more practical or cost effective to move the files itself. Regardless of the method of shipment or the organization transporting the files, all CMS procedures regarding the safeguarding of paper records contained in **JSM TDL-10305, 06-01-10** and **JSM TDL-11058, 11-23-10** must be followed. **The cost of conveyance is borne by the incoming MAC.**

The IMAC may have a representative at each of the outgoing MAC's locations from which items will be shipped. These representatives will sample files to verify content and proper labeling and will ensure that they are loaded and correctly invoiced for the proper destination. They will also check assets against any acquisition list to verify that all are accounted for and in the proper condition. CMS may also have an on-site representative at the outgoing MAC's facility during this time to monitor closeout activities.

6.10.7 *Disposition*

All records created or used in the administration of the Medicare program are property of the United States Government. The outgoing MAC must release all original Medicare files and records to the incoming MAC when the workload is transferred at cutover. The only exception to this requirement is that the outgoing MAC may keep its administrative financial files until it has prepared its final cost report. Any files that are not transferred to the custody of the incoming MAC or required for closeout financial activities **MUST** be destroyed by the outgoing MAC and certified as such.

6.11 Sequence of System Cutover Activities

The sequence at cutover will involve the following system activities:

6.11.1 *System Closeout*

The outgoing MAC will close out its system operations by performing its final batch cycle, final CWF queries, final payment cycle, and final weekly, monthly, quarterly, and yearly workload runs. A 1099 file will also be generated. Files shall be purged in accordance with applicable instructions regarding time requirements for the retention of Medicare records.

If an implementation occurs on a non-quarterly end date, the incoming and outgoing MACs will need to work together with the EDC to determine whether a quarterly cycle needs to run as part of the closeout cycle. The outgoing MAC will need to determine what reports will be needed and the EDC will determine what system changes or updates will be necessary.

6.11.2 *Back Up*

The outgoing MAC's data center will backup and verify the final data. The incoming MAC and the EDC will determine how long the backup data will be available for inquiry after cutover, should it be necessary.

6.11.3 *Transfer and Installation*

If there is a physical change in data centers during cutover, files will need to be transferred. This would include preparation of programs and JCL to load the files and data bases. If there will be no change in data centers, files will be copied from the

outgoing MAC's region to the incoming MAC's region at the data center. Regardless of any data center change, the final data would be loaded and system changes (user file changes, base system changes to the shared systems, release changes, non-base system changes) will be made. Changes could involve MSN and remittance advices, identification numbers, print/mail interfaces, ARU/IVR scripts, etc.

6.11.4 Data Conversion

It is possible that the incoming MAC may receive files that will need to be split, merged, or converted during cutover (e.g., workload or financial files). If so, after the conversion programs have been run and the production environment has been populated with converted data, the incoming MAC will validate the conversion output.

6.11.5 Initial System Checkout

An initial system verification will be performed by the incoming MAC. It will verify on-line connectivity and insure that the production system can be accessed. The transfer and availability of files will be checked, as will customer interface processes. The IMAC will also determine if hardware, software, and equipment is installed and operating properly.

6.11.6 Functional Validation of System

The incoming MAC will run cycles to check out operational functionality. This would include on-line data entry, claims activation, file verification (files accessible, proper formats, correct information, etc.), inquiries, batch processing, and testing. The first validation cycle may run claims and correspondence that were pending after the MAC's last cycle. After the cycle data is validated, another cycle may be run to process claims entered specifically for the validation, correspondence, and backdated EMC files that were received and held during the outgoing MAC's cutover activities. The incoming MAC will verify system output after each cycle and will then make a decision whether or not to begin normal business operations for the workload.

6.11.7 First MAC Production Cycle

The first production cycle will be run after the MAC's first day of normal business operations and the output will be validated. The cycle will include input from all functional areas (claims processing, MR/UR, MSP, audit and reimbursement, provider enrollment, etc.) and any additional EMC held from the cutover period, as well as OCR/ICR and DDE. All aspects of the system should be verified; e.g. data entry, edits/audits, suspense, correspondence, adjustments, inquiry, etc. Interfaces and data output that will be transmitted must also be verified (EFT, EMC, CWF, COBC, etc.). All print/mail functions will be validated, including checks, remittance advices, MSNs, automated correspondence, and reports.

6.12 Cutover Communication

Communication with providers and submitters regarding the cutover and its impact is absolutely essential. This cannot be overstated. It can mean the difference between the provider community perceiving the transition to be a success or failure. Providers must be constantly informed by various methods about the cutover and how their payments will be affected.

The incoming MAC must coordinate its cutover communication efforts with the outgoing MAC so that submitters are constantly informed of the upcoming cutover and the change in Medicare contractors. While the incoming MAC has the primary responsibility for communicating information regarding cutover activities, the outgoing MAC should disseminate as much information as it can in any provider meetings, bulletins, MSNs, remittance advices, notices, stuffers, etc. The outgoing MAC should have specific links on its website to implementation and cutover information. Listservs can be utilized to provide updated information, as can ARU/IVR scripts. At a minimum, the following cutover information should be provided:

- The cutoff dates for the submission of EMC and paper claims, redetermination requests, cost reports/appeals, audits, quarterly PIP data, etc., to the outgoing MAC;
- The last day the outgoing MAC will make a bill/claim payment;
- The last day the outgoing MAC will have telephone and customer service for providers;
- The date the last outgoing MAC bank file is sent to the bank;
- The release and reinstatement of the payment floor (if applicable) and what effect it will have on claims payment;
- The number of “dark days” and their effect on provider customer service;
- The first day the incoming MAC will accept EMC claims;
- The first day the incoming MAC will accept paper claims and the new address to be used;
- The day that the incoming MAC will begin the claim payment cycle and when the first payments (EFTs and checks) will be produced based on the outgoing MAC’s last bank file; and
- The day that the incoming MAC will begin customer service for providers.

6.13 Post-Cutover Activities

After cutover, the outgoing MAC will no longer be responsible for Medicare claims processing. However, there will be wrap-up activities associated with the cutover and the outgoing MAC must compile, verify, and submit a number of CMS reports before the end of its period of performance. Most post-cutover activity centers around the preparation and submission of Medicare reports and the financial closeout of the contract. The outgoing MAC will need to assess what activities and responsibilities it will have after it ends its Medicare claims processing functions and determine the number of resources, availability, and the time required in order to complete the activities.

6.13.1 Operations Wrap-up

After the actual cutover to the incoming MAC, the outgoing MAC should review its closeout plan and the cutover plan/checklist to ensure that all tasks for which it has responsibility have been completed. It must verify that all Medicare files and documents have been transferred to the incoming MAC. It must also certify in writing that those files that were not transferred have been destroyed in accordance with CMS requirements. The outgoing MAC will need to verify that terminated Medicare employees are separated from corporate network systems/email and that security measures involving access to computers (internal and external) and facilities are in place, including those individuals who will need limited access to complete final reports. It should also ensure that all checks and correspondence from the final processing cycle have been released from the mailroom.

Daily cutover teleconferences will continue for at least the first week. CMS will then make a determination if the daily calls will continue, or if a weekly meeting will be sufficient. A representative from the outgoing MAC should be available for the calls at least for the first week after cutover, especially if there are open issues involving the outgoing MAC. Open issues must continue to be worked by the responsible parties until satisfactorily resolved.

6.13.2 Reporting Activities

The outgoing MAC is responsible for the completion of all monthly and quarterly reports through the end of its Medicare contract. A number of reports will not be able to be completed at cutover. Those that are not will need to be submitted after Medicare claims processing operations have ceased. Therefore, the outgoing MAC must maintain the ability to submit certain reports and have personnel available to gather data and verify its accuracy. The outgoing MAC Contracting Officer's Representative will provide instructions on banking arrangements, outstanding checks issued by the outgoing MAC, and checks received by the outgoing MAC after cutover.

All reports through the outgoing MAC's month of cutover (or through the day of cutover if it leaves mid-month) must be completed. The incoming MAC will be responsible for completing all reports beginning with the first cycle run after cutover. If cutover occurs before the end of a quarter, the outgoing MAC must share data with the incoming MAC so that the IMAC can produce a quarterly report. If the outgoing MAC believes that completion of a specific report is not possible or unwarranted, it must contact the CMS Contracting Officer's Representative.

The following is a sample of the reports that will need to be completed after cutover:

Financial

- CMS 750/751 CFO Reports
- CMS1521 Payment Voucher Draws on Letter of Credit
- CMS 1522 Monthly Contractor Financial Report

- CASR Contractor Audit and Settlement Report
- CRSL Cost Report Settlement Log
- ASCR Audit Selection Criteria Report
- IRS Form 1099 Income

Other

- CMS 1565/1566 Contractor Reporting of Operational and Workload Data (CROWD) for month and quarter
- CMS 1563/1564 Monthly MSP Savings
- CMS 2591 Part B Appeals
- FOIA Freedom of Information Act Report
- CSAMS Customer Service and Management System Report
- SADBUS Small and Disadvantaged Business Report

6.13.3 *Employee Access to CMS Systems*

During ongoing operations, MACs have the responsibility to ensure that employee access to CMS computer systems is terminated when employees no longer perform Medicare functions that require access to those systems. Accordingly, the outgoing MAC must identify employees whose access to CMS computer systems will end at cutover and those that will need access to CMS computer systems for a limited period of time after cutover; e.g., staff needed to submit reports into CROWD, ART, etc. Employees requiring access in the post-cutover period will only retain that access for the applicable system(s) and for the time necessary to complete the activity. Access to other systems will be terminated at cutover.

CMS will provide the form that will be used by the outgoing MAC to list employees for which access must be terminated. The form includes the employee's name, user identification, address, phone number, e-mail address, and each CMS system for which the employee will no longer have access. It will be completed by the outgoing MAC Project Manager and submitted to the CMS Office of Information Services.

If outgoing MAC employees will be employed by the incoming MAC, they still must have their access to CMS systems deleted under the outgoing MAC. The incoming MAC must then request new access to CMS computer systems for those individuals previously employed by the outgoing MAC. **System access cannot be transferred from one contractor to another.** However, there may be a need for some outgoing MAC employees to retain their access to perform outgoing MAC closeout cycle validation and other activities while also needing ID access to begin work functions at cutover as an incoming MAC employee. In such a situation, the new IDs for the incoming MAC workload can be set using an alternate primary key (e.g., SSN) approach. Once the outgoing MAC submits the request to delete the old IDs, the incoming MAC can update the new IDs to the correct primary keys.

6.13.4 *Outgoing MAC Access to Files and Records after Cutover*

There may be a need for the outgoing MAC to access Medicare files and records after cutover in order to meet certain audit or reporting responsibilities or to respond to litigation that may be in progress. If such is the case, the incoming and outgoing MACs will need to negotiate an agreement for access to the Medicare files/records that were previously in the possession of the outgoing MAC. A Memorandum of Understanding (MOU) regarding the protocols and responsibilities of each party and the associated costs will need to be executed. CMS must approve any MOU and must approve any request by the outgoing MAC for access to Medicare files/records.

6.13.5 *Closeout Assessment Review Process*

After cutover and before the end of the period of performance, CMS will conduct a closeout assessment review at the outgoing MAC's operational site to ensure that all Medicare data has been expunged from hardware, files, and storage facilities. CMS will be on site for a final check to ensure that all Medicare data is properly disposed of or transferred to the incoming MAC. The closeout review will focus on media sanitation, logical access controls, and data encryption.

The outgoing MAC is required to purge all hard drives that previously contained Medicare and other sensitive material. The outgoing MAC must also ensure that access IDs for previously authorized users of Medicare systems are deleted.

6.13.6 *Lessons Learned*

CMS asks that the outgoing MAC maintain a list of activities that went well during the transition, problems that were encountered, and suggestions for improvement. It is hoped that the outgoing MAC will have the ability to prepare a lessons learned document regarding its activities during the transition, as well as any that it might have observed from other participants in the process. Lesson learned should be submitted as soon as the outgoing MAC is able to prepare the document. See **Chapter 4.9.12**.

The MISC compiles and updates a consolidated lessons learned document that provides lessons learned from all previous MAC implementations. A copy is found in **Exhibit 10, Workload Transition Lessons Learned** and the most recent version of the document will be provided to the MAC at the jurisdiction kickoff meeting. CMS strongly suggests that the outgoing MAC review this document in its entirety and incorporate applicable lessons learned into its closeout activities.

6.13.7 *Post-Project Review (Lessons Learned)*

A post-project review meeting will be held approximately a month after cutover to discuss lessons learned from the transition. The meeting may be held in person or by teleconference, depending on the circumstances of the transition. The meeting will cover each major area of the transition and focus on the actions, methods, and processes used during the transition. Activities that went well will be discussed, as well as those that

need improvement. Discussion will be frank and honest, with no areas off limits. CMS understands that it may not be possible to have representation from the outgoing MAC at the post-project review meeting, but it is hoped that an effort will be made to attend. See **Chapter 4.10.8**.

Chapter 7: FINANCIAL PROCESSES

7.1 General

As soon as possible after contract award, the outgoing MAC should meet with its Contracting Officer and Contracting Officer's Representative to review financial reporting requirements and discuss the policy and procedures for the financial closeout of its operations and contract. This is to insure that all parties clearly understand the closeout financial processes and agree on the tasks that need to be performed. The incoming and outgoing MACs must coordinate activities to be sure that all financial accounts are in order and documents are properly transferred. Provisions must also be made for the outgoing MAC to forward checks and other Medicare mail to the incoming MAC after cutover.

The outgoing MAC will need to determine if there are any additional costs above those identified in its cost proposal that may be incurred because of unforeseen circumstances surrounding the transition of its workload to the incoming MAC. CMS expects the outgoing MAC to maintain operations and support the incoming MAC during the transition. However, CMS acknowledges that there may be additional costs associated with the outgoing MAC's transition and closeout activities. These costs must be discussed, fully documented, and approved by the outgoing MAC Contracting Officer before being incurred.

7.2 Bank Accounts and Reports

The outgoing MAC must inform its bank that its Medicare contract will be ending. The outgoing MAC should also review procedures and protocols for the closing of a Medicare bank account. Medicare bank accounts may be kept open for up to a year after cutover to allow for clearance of outstanding checks. During this period, the letter of credit issued to the bank will remain in effect to allow the bank to request funds to cover all outstanding checks as they are presented for payment.

All CMS financial reports are required to be submitted as long as there are account balances or activity on the reports. These reports include:

- Form CMS 1521, Payment Voucher Draws on Letter of Credit;
- Form CMS-1522, Monthly Contractor Financial Report;
- Forms CMS-750A/B, Contractor Financial Statement;
- Forms CMS-751A/B and MSP, Status of Accounts Receivable;
- Monthly Schedule of Itemized Bank Services; and
- Recap of Daily Available Balances.

CMS will issue a Technical Direction Letter (TDL) to the outgoing MAC prior to cutover that describes the required financial reports that must be completed along with the corresponding due dates. See **Exhibit 9, Sample Financial Closeout Letter** for a sample Joint Signature Memorandum/Technical Direction Letter. CMS will also discuss how long the outgoing MAC will have access to the Contractor Reporting of Operational and Workload Data (CROWD), Analysis, Reporting, and Tracking (ART), and HIGLAS systems.

7.3 Accounts Receivable Reconciliation

7.3.1 General

Medicare accounts receivable are a significant balance on CMS's financial statements and they require the incoming MAC's special attention. The majority of accounts receivable are comprised of overpayments made to providers, physicians, suppliers, beneficiaries, and insurers. Other receivables are incurred when Medicare paid claims as the primary payer and it is subsequently determined that Medicare should have been the secondary payer.

7.3.2 Accounts Receivable Reconciliation Process

The outgoing MAC is responsible for the reconciliation of the accounts receivable for the workload that will be transferred to the incoming MAC. After the transition begins, CMS Central or Regional Office (or a contracted organization) will go on site to conduct an accounts receivable review of the outgoing MAC. The incoming MAC normally attends the review sessions to understand the process and the documentation prepared to support the reconciliation, since it will be assuming responsibility for any accounts receivable at cutover.

Sixty days prior to the effective date of the transfer, the outgoing MAC should notify the incoming MAC in writing of all outstanding accounts receivable that will be transferred. The written notification will include a transmittal document summarizing the number and value of the accounts receivable being transferred and statement of receipt to be signed by the incoming MAC. In addition to this transmittal, the outgoing MAC will include a detailed listing showing each specific account receivable being transferred. The detailed listing must agree to the summary totals reflected on the transmittal document and will include the following data elements:

- Debtor's name, Medicare identification number, and EIN or TIN;
- Account receivable/overpayment amount being transferred that includes principal and interest;
- Account receivable types; e.g., Part A, Part B, MSP, or other;
- Type of account receivable; e.g., medical review, duplicate payment; and
- The current status of collection action; e.g., interim payments being offset, extended repayment schedule in effect, etc. and
- The cost report period or accounting period, if applicable.

The outgoing MAC should also send the permanent administrative file for each provider/debtor being transferred to the IMAC. This file must contain all relevant information to support the account receivable being transferred; e.g., identity of debtor, refund requests and documentation to clearly support each accounts receivable/overpayment determination.

The incoming MAC will certify the receipt of the transmittal document and return the receipt to the outgoing MAC no later than 10 calendar days after the date of transfer, with a copy provided to CMS. The incoming MAC will review and reconcile the accounts receivable transmittal document and the detailed listing with the administrative files transferred from the OMAC. If the incoming MAC identifies a discrepancy regarding a specific account receivable, it must meet with the outgoing MAC and attempt to resolve the issue. If the discrepancy cannot be resolved, the account receivable must be transferred to the incoming MAC Contracting Officer's Representative for resolution. The IMAC has one year to review and accept all transferred receivables.

7.3.3 *Financial Reporting*

The incoming MAC must retain copies of all documentation related to the transfer of accounts receivable. If there is a discrepancy regarding a specific accounts receivable, the incoming MAC will contact its CMS COR for resolution. The IMAC will report the value of the receivables which have been accepted on the appropriate line of the CMS financial reporting form, as well as any amounts transferred to CMS for resolution. Summary data will be included to identify the name of the outgoing MAC and the number and value of accounts receivable that were accepted as a result of transition activity.

The outgoing MAC should keep a file copy of the transmittal document and the summary listing and send copies to the appropriate CMS Regional Office(s) and the CMS Office of Financial Management, Financial Services Group, Division of Accounting, Debt Collection Branch in Central Office.

All MACs are subject to audit and may be required to provide supporting documentation for the accounts receivables values reported on CMS financial reports.

7.4 **Post-Cutover Financial Coordination**

7.4.1 *Outstanding Provider Payment Checks*

At cutover, the outgoing MAC must provide the incoming MAC with a final listing of outstanding checks, stale dated checks, and a voided check register. The outgoing and incoming MACs will need to coordinate procedures for handling stop payments, voided checks, and the reissuance of old outstanding checks. The outgoing MAC's Medicare bank account will be kept open after cutover for a CMS-determined period of time for the payment of outstanding checks.

Prior to the determined date for the outgoing MAC's Medicare bank account to be closed, the incoming MAC will be responsible for issuing a letter to all providers/ suppliers with outstanding checks issued by the former MAC. The letter will inform the recipient that its outstanding check will be stale dated on the date specified and should provide instructions for requesting the reissuance of the check.

After cutover, the incoming MAC must have the capability of receiving two bank clears files per cycle—one from the outgoing MAC's account and one from the incoming MAC's account. The incoming MAC, the outgoing MAC, and the EDC will need to work together to establish procedures to ensure that the incoming MAC receives updated information for the outstanding checks that were transferred. This information can come directly from the bank or from the outgoing MAC. The Part B MCS system has the ability to take in a "family" of clears files, but the outgoing MAC's file will need to have a different name than that which is received from the incoming MAC's own bank in order for MCS to process both bank clears files in the same cycle. The Part A FISS system requires that the two files be concatenated prior to going into the same cycle.

7.4.2 Cash Receipts/Cash Refunds

The incoming MAC, the outgoing MAC, and CMS will need to reach agreement on the most appropriate solution for handling checks involving the recovery of money for payments made in error (cash receipts/refund) that are received by the former MAC after cutover. Since the former MAC will no longer have responsibility for the account receivable or claim history, it must coordinate efforts with the current MAC regarding the misdirected cash receipt/refunds so that the current MAC can take action to reduce the account receivable or the claim history. The approach will depend on a number of factors that will need to be considered before a decision is made.

For the vast majority of transitions, the former MAC will deposit funds received into its Medicare bank account and subsequently issue a check to the current MAC for the misdirected cash receipts/refunds. This approach insures that checks are deposited within 24 hours of receipt, provides a clear audit trail, and allows for stronger internal control between the current and former MACs.

However, when the former MAC will no longer have any involvement in the Medicare program; i.e., it will not be continuing as a MAC for another jurisdiction or as a legacy contractor, it may be determined that the former MAC will forward misdirected cash receipts/refunds to the current MAC. This approach will require strong internal controls and segregation of duties to prevent loss. It will mean that checks will not be deposited within 24 hours and may necessitate soliciting a new check from the provider/beneficiary should the current MAC's bank not accept the check without endorsement.

All misdirected cash receipts/refunds require a Collection Reconciliation Acknowledgement Form (CRAF) to be completed. The CRAF may be accompanied by a reissued check to the current MAC, the original check, or it may be informational only. Regardless of how the misdirected cash receipt is transferred to the current MAC (check

or non-cash transfer), a CRAF is required so that adequate controls are maintained to safeguard assets and ensure proper financial reporting.

7.5 PSOR/POR Reconciliation

The outgoing MAC must ensure that the principal and interest identified on the detail listing for each overpayment determination are current and reconciled with the supporting files and reported on the appropriate overpayment reporting/tracking system; i.e., the Physician and Supplier Overpayment Reporting system (PSOR) and the Provider Overpayment Reporting system (POR).

7.6 Audits and Other Issues

An administrative cost audit will be conducted prior to the closeout of the contract. Costs for all open years may be audited. Once all audits are completed, a global closing agreement will be used to close all open administrative costs. Pension, post-retirement, self-insurance or other administrative costs left open in prior closing agreements will be closed in the global closing agreement.

The administrative cost audits will exclude certain pension, post-retirement benefit, and self-insurance/captive insurance costs from the scope of the review. Costs claimed for qualified defined-benefit pension plan(s) will always be covered in a separate review by a specialized OIG audit team. Furthermore, if accrual accounting has been used to claim costs of any nonqualified defined-benefit pension or post-retirement benefit plan, those costs will also be covered by separate review a specialized OIG audit team. Costs claimed for self-insurance/captive insurance may be subject to separate review unless the outgoing MAC can demonstrate that the premium rates are competitively priced.

The Office of Inspector General Act of 1978 as amended by the Office of Inspector General Act Amendments of 1988 and OMB Circular A-73 govern the audits of governmental organizations, programs, activities and functions, and funds received by contractors.

A separate pension audit will be conducted when there is a Medicare contract closing. Because some of the information needed for the pension audit will not be available until the outgoing MAC has received the actuarial valuation for the first period after the contract performance ends, the pension audit is normally delayed for some time. Furthermore, if a pension audit has not yet been performed by a specialized OIG audit team, the outgoing MAC can expect the pension audit to be quite extensive.

The liability for costs of post-retirement benefit plans will be closed out on the cost accounting method used to determine the cost of the contract prior to the end of the period of performance. The outgoing MAC is reminded that changes in cost accounting method are prospective only. The amount of any claim for liability accrued for post-retirement benefits are subject to audit besides separate review concerning entitlement.

The cost of self-insurance/captive insurance is limited to actual benefits payments plus reasonable administrative expenses unless the outgoing MAC can demonstrate that premiums are competitively priced. When assessing the pricing of self-insurance premiums, the Office of the Actuary will review historical data on incurred losses, administrative expenses, retention rates and loss-ratios for groups that are similar in size, industry, benefit structure and geographic location.

As soon as an outgoing MAC knows it will be leaving the Medicare program, it should contact the CMS Office of the Actuary or OIG Pension Audit staff to begin planning for the upcoming audits.

7.7 1099 Responsibilities

The outgoing MAC shall retain responsibility for preparation and submission of IRS Form 1099 for the providers it serviced in the year that the cutover occurred (even if this period is less than one calendar year). This responsibility includes both the electronic reporting to the Internal Revenue Service (IRS) and the hard copy reporting statement for the providers. **These items shall be released on the normal 1099 reporting cycle.** During the transition, as part of their overall communication efforts, the incoming and outgoing MACs must remind providers that they will receive two 1099s for the year—one from the former (outgoing) MAC and one from the current (incoming) MAC—unless cutover occurs at the end of the calendar year.

The outgoing MAC shall produce separate 1099's for its Medicare line of business and its end-of-year 1099 mailing to providers must contain information referencing the current (incoming) MAC's name, address, and telephone number. Providers should be instructed to contact the current MAC should there be a question regarding the 1099. This is because the former (outgoing) MAC will no longer have access to Medicare provider files or information. However, the IRS will not allow the current MAC to correct a 1099 issued by the former MAC. Only the corporate entity that issued the 1099 can make any corrections.

If there is a question regarding the 1099 that will require a correction to the 1099, the current MAC will forward the question to the former MAC along with the appropriate provider information so that the former MAC can correct the discrepancy. The current and former MACs must enter into a Memorandum of Understanding (MOU) that details the procedures for providing the necessary information that will enable the former (outgoing) MAC to make the corrections.

If any provider reporting statements are returned as undeliverable mail, the former MAC shall forward them to the incoming MAC.

LIST OF EXHIBITS

- Exhibit 1 Transition Phases and Terminology
- Exhibit 2 CMS Transition Oversight Organizational Chart
- Exhibit 3 Sample Closeout Project Plan
- Exhibit 4 Outgoing MAC Information/Documentation
- Exhibit 5 Files to be Transferred to a Medicare Administrative Contractor
- Exhibit 6 MAC Transition Meeting and Documentation Guide
- Exhibit 7 Sample Workload Report
- Exhibit 8 Sample Staffing Report
- Exhibit 9 Sample Financial Closeout Letter
- Exhibit 10 Workload Transition Lessons Learned
- Exhibit 11 Glossary
- Exhibit 12 Acronyms
- Exhibit 13 Sample Baseline Workload Templates
- Exhibit 14 File and Record Transfer Plan Contents

Exhibit 1 Transition Phases and Terminology

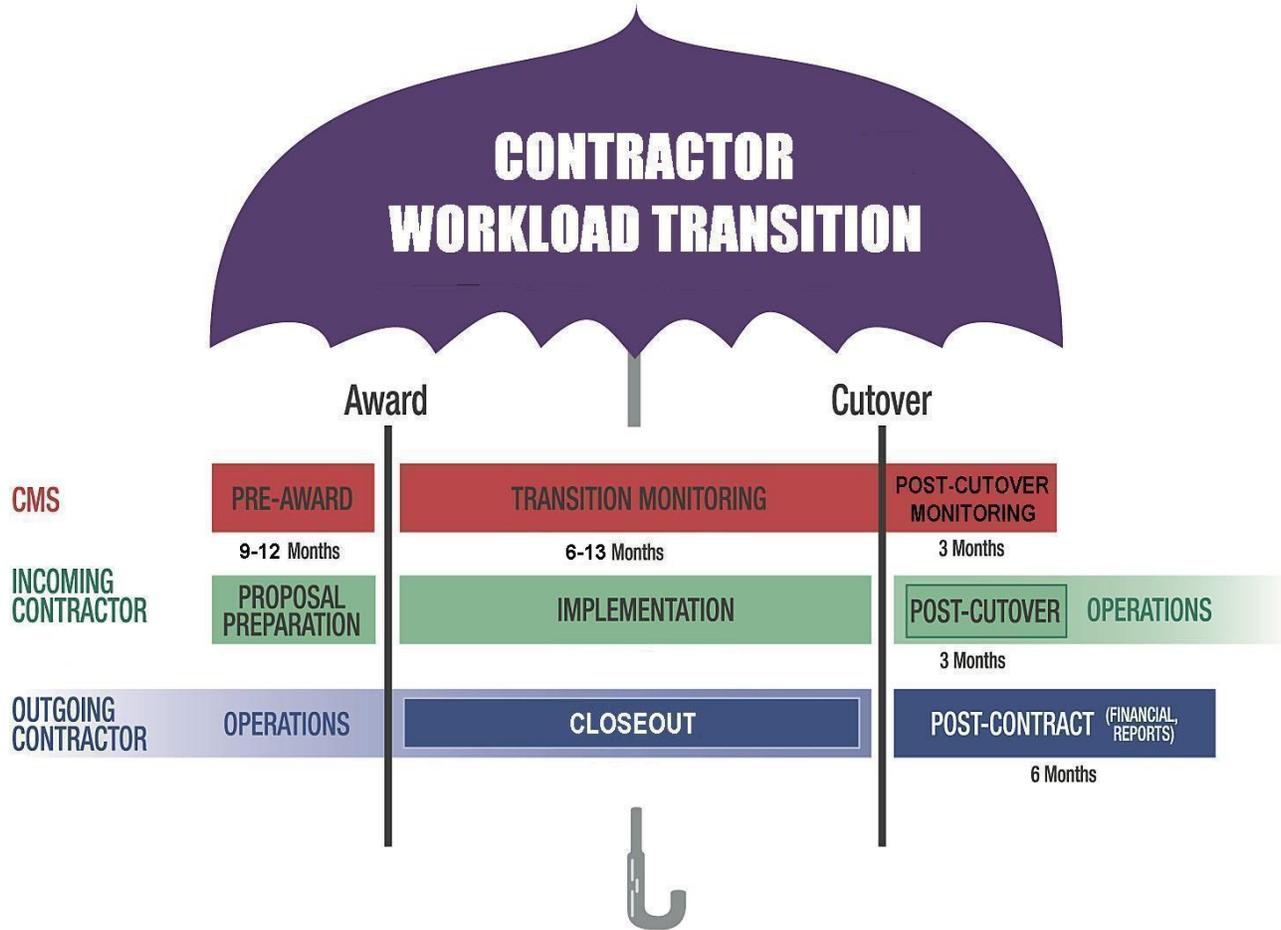


Exhibit 2 MAC Contract Administrative Structure

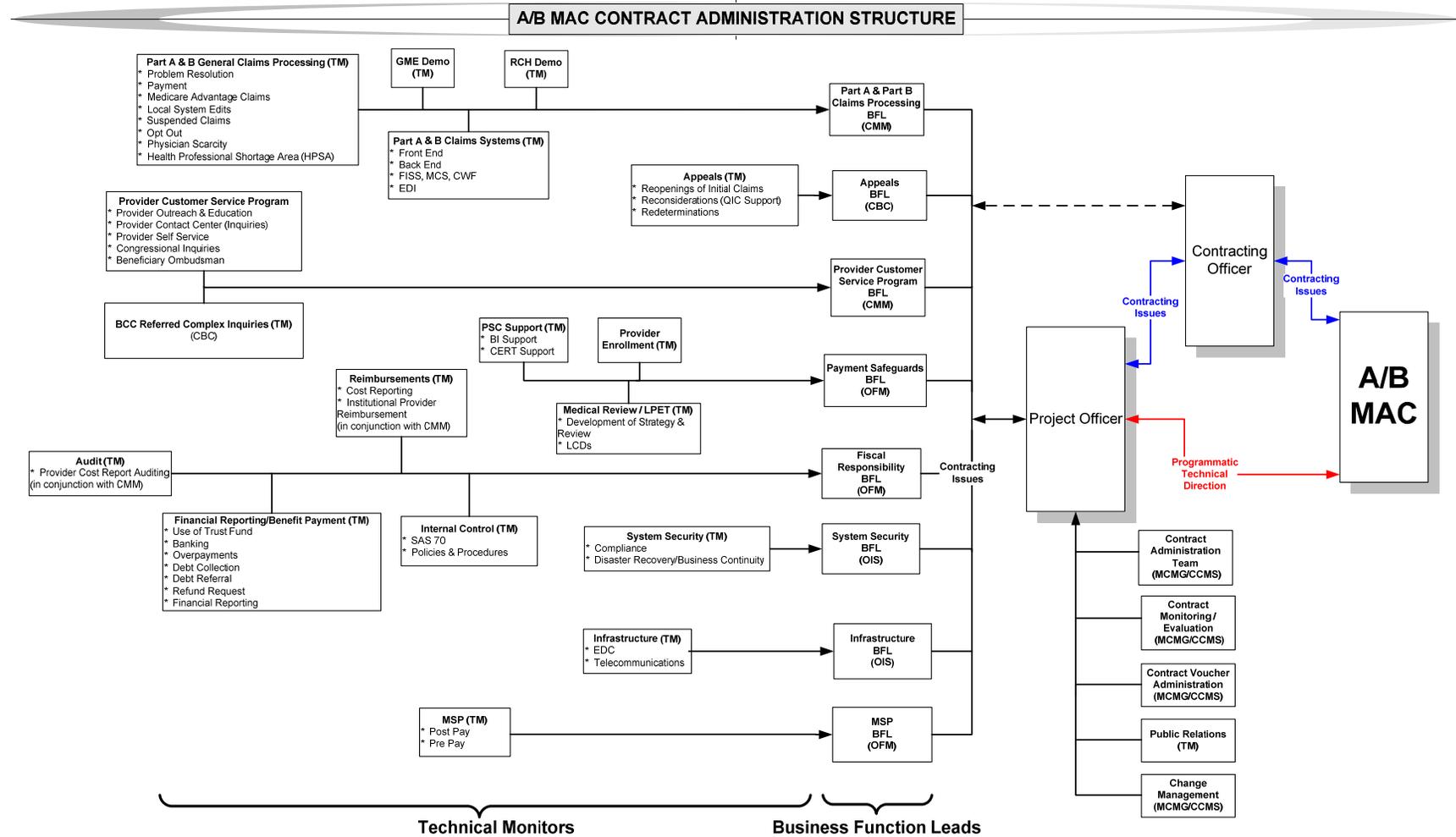


Exhibit 3 Sample Closeout Project Plan

ID	% Complete	Task Name	Duration	Start	Finish	Predecessors
0		Contractor Phase-Out	158 d			
1		Contract Award	0 d			
2		Kickoff Meeting	2 d			1
3		Executive Kickoff	1 d			
4		Validate Records Access Agreement	1 d			
5		Full Kickoff Meeting	1 d			3
6		Communications	137 d			
7		Termination Protocols	25 d			
8		Notify CMS of Termination	1 d			
9		Notify Medicare Associates	1 d			
10		Formal Public Announcement	1 d			1
11		Medicare Associates/HR Meeting	1 d			
12		Bi-weekly Conference Calls with CMS	31 d			
13		Bi-weekly Conference Calls with CMS	31 d			
14		Bi-Weekly Status Update Meeting	71 d			
15		Bi-Weekly Status Update Meeting	71 d			
16		Periodic CMS Reports	120 d			
17		Weekly Staff/Attrition Reporting	98 d			
18		Establish Reporting Parameters	1 d			
19		Staffing Report	96 d			
20		Staffing Report submitted weekly	96 d			
21		Performance/Workload Reporting	98 d			
22		Establish Reporting Parameters	1 d			
23		Workload Report	96 d			
24		Workload Report submitted weekly	96 d			
25		Phase-out Plan	120 d			
26		Develop Initial Phase-out Plan	35 d			
27		Apply Incoming Contractor Tasks/Deliverables	10 d			26
28		Set Baseline/Forward to CMS	0 d			27
29		CMS Approval	5 d			28
30		Update and Report Phase-out Plan	41 d			29
31		Update and Report Phase-out Plan weekly	41 d			
32		Weekly Progress Reporting	0 d			
33		Weekly Phase-out Issues Log	0 d			39
34		Project Administration	150 d			
35		Issues Tracking	3 d			
36		Establish Tracking Protocols	2 d			
37		Organization	1 d			
38		Priorities	1 d			37
39		Construct Issues Database	1 d			36
40		Deliverables Tracking	116 d			
41		Develop Request/Tracking Form	4 d			
42		Reserve File Space	1 d			41
43		Monitor Deliverable Requests	111 d			42
44		Phase-out Project Staffing	125 d			
45		Establish Outgoing Contractor Executive Committee	1 d			
46		Establish Project Team	45 d			
47		Assign Project Manager	1 d			
48		Determine Workgroups and Assignments	1 d			
49		Transition Staffing	125 d			
50		Contract Project Team Specialists	1 d			
51		Operations Continuity Temporary Help	1 d			

Exhibit 3 Sample Closeout Project Plan

ID	% Complete	Task Name	Duration	Start	Finish	Predecessors
52		Budget Management	115 d			
53		Final Administrative Cost Proposal	16 d			
54		Develop FACP Data	15 d			
55		Submit FACP	1 d			54
56		Transition SBRs	61 d			
57		Review Business Unit Workplans	10 d			
58		Submit Waiver Requests	10 d			
59		Determine Sub-contracting costs	10 d			
60		Submit Initial Transition SBR	1 d			57,58,59
61		Follow-up SBR(s)	50 d			60,69
62		Identify any additional costs	40 d			
63		Submit if needed	10 d			62
64		Termination Proposals	97 d			
65		Identify Termination Costs	90 d			
66		Submit Initial Termination Proposal	1 d			65
67		Identify Additional Termination Costs	5 d			66
68		Submit Additional Termination Proposal	1 d			67
69		Request Contract Abatements/Waivers	2 d			
70		Abatements	2 d			
71		Request Abatement	1 d			
72		Receive Approval/Implement	1 d			71
73		Waivers	1 d			
74		Request Waiver	1 d			
75		Receive Approval/Implement	0 d			74
76		Notifications and Contracts Termination	87 d			
77		Data Center	1 d			
78		Data Center Services	1 d			
79		MSN Print/Mail Services	1 d			
80		EDI Trading Partners	20 d			
81		Review Contracts	15 d			
82		Notify Contract Holders	5 d			81
83		Facility(ies) Lease Termination	66 d			
84		Review Contracts	1 d			
85		Notify Contract Holders	1 d			84
86		Provide Termination Costs to CMS	1 d			
87		BCBSA Government Business Services(Part A Plan)	2 d			
88		Review Contract	1 d			
89		Notify Contract Holder	1 d			88
90		Program Safeguard Contractor	2 d			
91		Review Contract	1 d			
92		Notify Contract Holder	1 d			91
93		EDI Software Provider, PC-ACE	2 d			
94		Review Contract	1 d			
95		Notify Contract Holder	1 d			94
96		Global Network Services Provider	2 d			
97		Review Contract	1 d			
98		Notify Contract Holder	1 d			97
99		Global Network Service Frame Relay	2 d			
100		Review Contract	1 d			
101		Notify Contract Holder	1 d			100
102		Review Contract	1 d			

Exhibit 3 Sample Closeout Project Plan

ID	% Complete	Task Name	Duration	Start	Finish	Predecessors
103		Claims/EDI Workgroup	118 d			
104		Develop Workplan	48 d			
105		Construct Workplan	13 d			
106		Develop Plan	5 d			
107		Estimate/report transition effort	5 d			106
108		Submit Modifications that affect SBR	3 d			107
109		Revise Workplan per Kickoff Requirements	5 d			5
110		Provide Deliverables	70 d			109
111		Support Claims/Call Center Call	71 d			
112		Support Claims/Call Center Call weekly	71 d			
113		Support EDI/Connectivity Call	71 d			
114		Support EDI/Connectivity Conference Call weekly	71 d			
115		Maintain Workgroup Outgoing Contractor Issues	76 d			
116		Update Workgroup Outgoing Contractor Issues Log week	76 d			
117		Customer Service/Provider Relations Workgroup	119 d			
118		Develop Workplan	48 d			
119		Construct Workplan	13 d			
120		Develop Plan	5 d			
121		Estimate/report transition effort	5 d			120
122		Submit Modifications that affect SBR	3 d			121
123		Revise Workplan per Kickoff Requirements	5 d			
124		Provide Deliverables	30 d			123
125		Support Claims/Call Center Call	71 d			
126		Support weekly Claims/Call Center calls	71 d			
127		Support Bene/Prov Relations Call	71 d			
128		Support weekly Bene/Prov Relations calls	71 d			
129		Maintain Workgroup Outgoing Contractor Issues	71 d			
130		Update Outgoing Contractor Issues Log weekly	71 d			
131		Audit and Reimbursement Workgroup (Part A)	118 d			
132		Develop Workplan	48 d			
133		Construct Workplan	13 d			
134		Develop Plan	5 d			
135		Estimate/report transition effort	5 d			134
136		Submit Modifications that affect SBR	3 d			135
137		Revise Workplan per Kickoff Requirements	5 d			
138		Provide Deliverables	30 d			137
139		Support Audit & Reimbursement Call	71 d			
140		Support weekly Audit & Reimbursement call	71 d			
141		Maintain Workgroup Outgoing Contractor Issues	71 d			
142		Maintain Workgroup Outgoing Issues Log weekly	71 d			
143		MSP Workgroup	119 d			
144		Develop Workplan	48 d			
145		Construct Workplan	13 d			
146		Develop Plan	5 d			
147		Estimate/report transition effort	5 d			146
148		Submit Modifications that affect SBR	3 d			147
149		Revise Workplan per Kickoff Requirements	5 d			
150		Provide Deliverables	30 d			149

Exhibit 3 Sample Closeout Project Plan

ID	% Complete	Task Name	Duration	Start	Finish	Predecessors
151		Support MSP Call	71 d			
152		Support weekly MSP Call	71 d			
153		Maintain Workgroup Outgoing Contractor Issues Log	71 d			
154		Maintain Workgroup Outgoing Issues Log weekly	71 d			
155		MSP Inventory Reduction	71 d			
156		Review Potential Areas for Reduction	20 d			
157		Prioritize Needs	8 d			156
158		Review with CMS and Incoming Contractor	3 d			157
159		Review/Determine Implementation Methods	5 d			158
160		Implement Inventory Reduction Plan	35 d			159
161		Medical Review & Appeals Workgroup	118 d			
162		Develop Workplan	48 d			
163		Construct Workplan	13 d			
164		Develop Plan	5 d			
165		Estimate/report transition effort	5 d			164
166		Submit Modifications that affect SBR	3 d			165
167		Revise Workplan per Kickoff Requirements	5 d			
168		Provide Deliverables	30 d			167
169		Support Bene Hearings Call	71 d			
170		Support Bene Hearings Call weekly	71 d			
171		Support Med Review Call	71 d			
172		Support Med Review call weekly	71 d			
173		Maintain Workgroup Outgoing Contractor Issues Log	71 d			
174		Update Workgroup Outgoing Issues Log weekly	71 d			
175		PSC Contract/Scope Review	15 d			
176		Determine need to modify operating arrangement with PSC	15 d			
177		Conditionally Implement	0 d			176
178		Hearings Officer Phase-out	10 d			
179		Determine Run Out of Appeals	5 d			
180		Establish Cutoff	5 d			179
181		Notify Cutover Workgroup	0 d			180
182		Human Resources Workgroup	22 d			
183		Develop Workplan	1 d			
184		Revise Workplan per Kickoff Requirements	1 d			
185		Provide Deliverables	5 d			184
186		Support Recruit/Training Call	16 d			
187		Support Recruit/Training Relations Call	16 d			
188		Maintain Workgroup Outgoing Contractor Issues Log	16 d			
189		Update Workgroup Outgoing Issues Log weekly	16 d			
190		Systems Workgroup	76 d			
191		Provide Deliverables	75 d			5
192		Support Hardware/Software Acquisition Call	66 d			
193		Support Hardware/Software Acquisition Call weekly	66 d			
194		Support EDI/Connectivity Call	71 d			
195		Support EDI/Connectivity Call weekly	71 d			
196		Support Data Center/Standard System/Testing Call	71 d			
197		Support Data Center/Standard System /Testing Call weekl	71 d			
198						

Exhibit 3 Sample Closeout Project Plan

ID	% Complete	Task Name	Duration	Start	Finish	Predecessors
199		Project Management Workgroup	155 d			
200		Provide Deliverables	92 d			5
201		Fixed Assets Disposition	135 d			
202		Inventory Fixed Assets	5 d			
203		Notify Incoming Contractor	1 d			5
204		Notify CMS	1 d			203
205		Receive Responses	45 d			204
206		Asset Tag Inventory	50 d			
207		Review Assets List/Assess Accuracy	10 d			
208		Determine Need and Scope of Inventory	5 d			207
209		Assign Inventory Responsibilities	5 d			208
210		Conduct Inventory	30 d			209
211		Site Walk through with CMS	1 d			
212		Deliver claimed assets to Incoming Contractor	1 d			
213		Surplus any unclaimed assets	5 d			210
214		Phase Out Banking Services	0 d			
215		Determine Bank Contract End Date	0 d			
216		Coordinate Stop-payment process with incoming	0 d			215
217		Provide Voided check list to incoming	0 d			216
218		Mail and Other Receipt Forwarding	57 d			
219		Determine Items to be forwarded	1 d			
220		Develop Process for forwarding	1 d			219
221		Implement process for forwarding	1 d			
222		Accounts Receivables Review	82 d			
223		Set Date/Timeframe for Review	1 d			
224		Provide Review Protocols and Materials Request	0 d			
225		Support AR Review	3 d			
226		Notify Incoming of Outstanding AR	0 d			225
227		Obtain Signed Acceptance from Incoming Contractor	1 d			226
228		POR/PSOR Reconciliation	21 d			
229		Identify P&I Detail for Overpayments	21 d			
230		Reconcile Detail	21 d			
231		Report on Provider Overpayment Reporting System	21 d			
232		Coordinate with Incoming Contractor for entry into Stand	21 d			
233		Support Project Management Call	71 d			
234		Support Project Management Call weekly	71 d			
235		Support File Transition Call	76 d			
236		Support File Transition Call weekly	76 d			
237		Support Archived record Transfer	1 d			
238		Support Other Archived Records Transfer	1 d			
239		Final Packing of Hard Copy Files	49 d			
240		Determine Scope and Method of Packing	3 d			
241		Provide SBR Data	1 d			
242		Make Arrangements with Record Storage contractor for S	1 d			
243		Hire Packers (temporary staff)	1 d			
244		Pack and Store Files	8 d			
245		Support Record Storage Contractor Pickup of Staged Files	1 d			
246		Final Packing	1 d			245
247		Cutover Planning	61 d			
248		Initial Cutover Planning Meeting	1 d			
249		Support/Maintain Cutover Checklist	60 d			248
250		Cutover Workgroup	51 d			
251		Support Cutover Planning call weekly	51 d			

Exhibit 3 Sample Closeout Project Plan

ID	% Complete	Task Name	Duration	Start	Finish	Predecessors
252		Facilities Phase-out	155 d			
253		Notify landlord of Vacate Date	1 d			
254		Determine Post-Transition Facilities Needs	1 d			293
255		Workstations	1 d			
256		Phones	1 d			
257		Desktop	1 d			
258		Printers	1 d			
259		Copier	1 d			
260		Fax	1 d			
261		Supplies	1 d			
262		Notifications for Facility A Shutdown	1 d			
263		Notifications for Facility B Shutdown	1 d			
264		Security	63 d			
265		Building Security	4 d			
266		Termination Notification	1 d			
267		Collect and forward badges on exit	1 d			
268		Outgoing Contractor System Security	12 d			
269		Termination Notification	1 d			
270		LAN/RACF Terminations	1 d			
271		Data Center System Security	33 d			
272		Termination specific date Notification	1 d			
273		RACF Terminations	1 d			
274		Determine/Request TPX for Post-trans staff	1 d			
275		Termination specific date Notification	1 d			
276		RACF Terminations	1 d			
277		Standard System Operator Control	12 d			
278		CSI to delete outgoing contractor Logons	1 d			
279		Notify Incoming contractor of Post-trans Staff	1 d			
280		Delete outgoing Contractor Logons	1 d			
281		CMS System Access	61 d			
282		Determine Staff/Term Date for CMS Access	1 d			294
283		Notify CMS specific date Terminations	1 d			
284		Notify CMS specific date Terminations	1 d			
285		Notify CMS specific date Terminations	1 d			
286		Assure specific date access not shut down ea	18 d			
287		Assure specific dates not shut down early	18 d			
288		Post Transition Planning & Operations	98 d			
289		Reporting Requirements	31 d			
290		Determine Staff/Time Requirements for Reporting	5 d			
291		Develop Workplan and Contingencies	20 d			290
292		Develop Financial Reporting Plan	5 d			291
293		Submit Financial Reporting Plan to CMS	1 d			292
294		Establish Post Cutover Reporting Team	1 d			289
295		Cross Train Post Cutover Team for Reports	30 d			294
296		Post Cutover Reporting Strategy Meetings	36 d			
297		Post Cutover Reporting Strategy Meetings weekly	36 d			

Exhibit 3 Sample Closeout Project Plan

ID	% Complete	Task Name	Duration	Start	Finish	Predecessors
298		CROWD Workload Reporting	8 d			
299		Year end Workload Data	6 d			
300		Obtain Final Year end 308 Reports	1 d			
301		Obtain Line 40 MSN counts	1 d			
302		Compile Statistics	4 d			301
303		Input 1566 Data into CROWD	1 d			302
304		Final Quarterly Workload Data	2 d			
305		Compile Quarterly Workload Reports	1 d			299
306		Input 1566 Data into CROWD	1 d			305
307		750/751	16 d			
308		Develop Non-MSP CFO Data	15 d			
309		Develop MSP CFO Data	15 d			
310		Compile and Enter Data	1 d			309
311		CASR & Other A&R Reporting	18 d			
312		Reopening Report to CMS - RO	1 d			
313		Year End Monitoring Reports	1 d			
314		CRSL (Cost Report Settlement Log)	1 d			
315		ABC - Audit	1 d			
316		ABC - Reimbursement	1 d			
317		Audit Effort Extract	1 d			
318		ASCR (Audit Selection Criteria Report)	1 d			
319		MONSTR2004 Reports	1 d			
320		CASR - CIER	1 d			
321		Last Quarter IER	19 d			
322		Final Timesheets	1 d			
323		Compile/submit time reports	1 d			
324		Compile other IER data	5 d			
325		Submit Final IER	1 d			324
326		Other Reporting	24 d			
327		FOI Report	3 d			
328		Annual FOI Report (6 month & annual)	21 d			
329		MSP Savings (1563)	12 d			
330		Part B Appeals (2591)	7 d			
331		CSAMS Report - Beneficiary	7 d			
332		CSAMS Report - Provider	7 d			
333		RBS & Medical Rev. Activ.	24 d			
334		PIP Quarterly Report "Q"	12 d			
335		Change Request Report	24 d			
336		Medicare SADBUS Report	24 d			
337		CNC & Writeoffs	24 d			
338		CASEWORK Approvals	24 d			
339		MSP Waiver Report	24 d			
340		DCIA Recall Report	24 d			
341		Final 1099s	55 d			
342		Confirm IRS Rules for Early 1099s	1 d			
343		Test Standard System 1099s with IRS	5 d			
344		Receive Final 1099 Files from Data Center	2 d			
345		Generate Final 1099s	7 d			344
346		Distribute Output	1 d			345
347		Final Transfers to Incoming	1 d			
348		Electronic Files	1 d			
349		Hard Copy	1 d			
350		Final CPIC	33 d			
351		Develop Materials and Statistics	28 d			
352		Weekly CPIC Planning Meeting	26 d			
353		Support Weekly CPIC Planning Meeting	26 d			
354		Prepare Final CPIC	3 d			
355		Sign & Submit Final CPIC	1 d			354

Exhibit 4 Outgoing MAC Information/Documentation

The following is a sample of Medicare information and documentation that is normally requested by the incoming MAC and must be provided in its entirety by the outgoing MAC. Not all documentation listed in this exhibit is applicable to every MAC.

- Copies of MSNs, Remittance Advices
- Copies of all notices and bulletins
- Outgoing contractor closeout plan
- Copies of fee schedules and payment schedules
- List of providers on 100% review, under investigation (including issues involved), and referrals to the Department of Justice
- Information on providers:
 - Name, telephone number, address, EIN of provider
 - List of providers on PIP/off PIP, with effective dates
 - Date of last interim rate payment review
 - EMC status
 - Current provider payment rates
 - Waiver of liability information, if applicable
 - Current program integrity information
 - Summary PS&R data
- Listing of historical provider issues and problems
- Unique procedure information
- Complete EMC information on all providers and submitters including:
 - Standard formats used
 - Vendors/billing houses/software used
 - Status of EDI agreements/contracts
 - EMC submission rates
 - Use of ERN and EFT
- A list of all special claims handling circumstances
- Beneficiary State Tape (BEST) or the Carrier Alphabetical State File (CASF).
- Inventory of all program materials and procedures that are available to the MAC, including any government owned property (equipment and supplies).
- List of assets available for purchase from the outgoing contractor.
- Key contacts: beneficiary, providers, Congress, specialty groups, associations.
- Staff attrition reports
- Storage information
- Status of key workload volumes
- Accounts receivable
- Enrollment inventory
- Status of cost Reports
- STAR databases
- Audit trails for Provider debt
- Workshop schedule

Exhibit 4

Outgoing MAC Information/Documentation (Cont.)

The following is a sample of Medicare information/documentation that may contain certain proprietary or business information. CMS will generally not require the outgoing MAC to release this information. However, if CMS believes that the information is critical to the success of the implementation and has the authority to do so, it will direct the release of a redacted version of the information:

- Annual Internal Audit Plan
- Business Continuity Plan
- Interim Expenditure Report/Notice of Budget Authorization
- Risk Assessment
- Lease agreements
- Subcontracts
- Off-site storage contract
- Personnel information
- Medicare organizational chart
- Disaster Recovery test results
- Production standards and performance requirements by functional area
- Internal controls/process manuals
- Training manuals and materials
- Claims processing guidelines

The following are public documents that are releasable specifically by statute or under the Freedom of Information Act (FOIA). However, these documents may contain some proprietary business information and/or financial data that is not releasable. CMS expects that outgoing contractors will normally release properly redacted copies of such documents to the incoming MAC:

- Corrective Action Plan/Action Plan findings
- CMS Regional Office Memorandum/Letters
- Certification Package of Internal Controls
- SAS 70 final report
- CFO Audit final report

NOTE: This exhibit (including the categorizations and examples contained within it) does not supersede any Rights in Data provision contained or referred to in the MAC solicitation or any Rights in Data clause contained or referred to in the MAC contract.

Exhibit 5

Files to be Transferred to a Medicare Administrative Contractor

This list provides a sample of the types of files that will be transferred to an incoming MAC. It is not all-inclusive. Files to be transferred will vary depending on functions currently performed by the outgoing MAC and the functions that will be performed by the incoming MAC.

Provider File

- Data File
- Index File
- Provider Mnemonic File
- Provider Overflow File
- Reasonable Charge File
- Physician ID File

Customary File

- Current Year File
- Previous Year File

Prevailing File

- Current Year File
- Previous Year File

Profile Procedure/Pricing Files

- Current Year File
- Previous Year File

Lowest Charge Level File

Limiting Charge Monitoring File

Beneficiary File

- On-line History Data Base File
- Off-line History Data Base File
- Index File
- Soundex File

Claim History/Conversion File

- Data File
- Beneficiary Inverted File
- Provider Inverted File

Exhibit 5
Files to be Transferred to a Medicare Administrative Contractor
(Cont.)

Activity/Pended File

- Data File
- Master Pending File
- Index File
- Beneficiary Inverted File
- Provider Inverted File

Financial Files

- Accounting Master File
- Bank Reconciliation/Accounts Receivable File
- Inverted File

DME Files (DME MACs only)

Eligibility File

QA Files

Carrier Option File

Pending/ Finalized Audit and Reimbursement File

Personnel File

Correspondence Files

- On-line Correspondence History Data Base File
- Index File
- Inverted File
- Inverted Index File

Utilization (Post Payment) Review Files

Provider Development Systems (PDS) Files

- PDS Option File
- Base Year File
- Maximum Allowable Prevailing Charge File
- No Rollback File

Exhibit 5
Files to be Transferred to a Medicare Administrative Contractor
(Cont.)

MSP Files

- Savings File
- Insurer File
- Data Match File

Government File

Coordination of Benefits File

HCPCS File

Pacemaster File

Miscellaneous Files

- SCC Files
- On-line and Update Reference Files
- Rolling Transaction File
- RPTTOTAL File
- OBFNEW File
- Batch Control File
- CICS Table Files
- Miscellaneous Transaction File
- Statistics File
- Replies Restart File
- Beneficiary Restart File
- HIC Restart File
- Procedure Frequency File
- PVSELECT File
- Provider Log File
- Procedure Diagnosis File
- Activity Restart File
- Daily/Weekly Check Number Files

Exhibit 6 Workload Transition Meeting and Documentation Guide

*Blue shaded activities (lighter shade in b&w) indicate required outgoing MAC face-to-face meetings or teleconferences.
Red shaded activities (darker shade in b&w) indicate required outgoing MAC closeout documentation.
Non-shaded activities indicate documentation distributed to outgoing MAC for information purposes.*

Abbreviations:

CMS: **ICO**—Incoming Contracting Officer; **OCO**—Outgoing Contracting Officer; **ICOR**—Incoming Contracting Officer’s Representative; **OCOR**—Outgoing Contracting Officer’s Representative; **IL**—Implementation Lead; **MISC**—Medicare Implementation Support Contractor; **Incoming MAC (IMAC):** **PM**—Project Manager; **Outgoing MAC (OMAC):** **CPM**—Closeout Project Manager; **Functional Contractors:** **EDC**—Enterprise Data Center; **SSM**—Shared System Maintainer; **CWF**—Common Working File Contractor; **ZPIC**—Zone Program Integrity Contractor (Program Safeguard Contractor); **CEDI**—Common Electronic Data Interchange Contractor ; **NSC**—National Supplier Clearinghouse; **PDAC**—Pricing Data Analysis and Coding Contractor; **BCC**—Beneficiary Call Center; **QIC**—Qualified Independent Contractor; **HIGLAS**—HIGLAS Contractor .

No.	Activity	Description	Purpose	Frequency	Media	Audience	Responsibility	Ref.
1.	<i>Outgoing MAC Pre-Meeting.</i>	<i>2-3 hour meeting.</i>	<i>To review the upcoming jurisdiction transition, contract closeout, CMS expectations, contractor-specific financial issues, and other items.</i>	<i>One-time meeting usually held prior to the general kickoff meeting.</i>	<i>Face-to-face meeting.</i>	<i>CMS: OCO & OCOR; Outgoing MAC: CPM, Closeout Project Team.</i>	<i>CMS.</i>	<i>3.6.1</i>
2.	<i>Jurisdiction Kickoff Meeting Notice</i>	<i>Invitation to attend the Jurisdiction Kickoff Meeting along with the purpose of the meeting.</i>	<i>To invite stakeholders and all parties directly involved in the transition to the initial meeting to organize, understand, and coordinate activities for the upcoming jurisdiction transition.</i>	<i>Sent to potential attendees approximately 2 weeks prior to the scheduled meeting.</i>	<i>Memo via electronic mail.</i>	<i>CMS: ICO, OCO, ICOR, OCOR, IL, MISC, Project Team; IMAC, OMAC; All involved functional contractors; other stakeholders.</i>	<i>IMAC Project Manager</i>	<i>3.6</i>

Exhibits

No.	Activity	Description	Purpose	Frequency	Media	Audience	Responsibility	Ref.
3.	<i>Jurisdiction Kickoff Meeting Agenda.</i>	<i>Outline of meeting topics with dial-in teleconference number.</i>	<i>To provide participants with an outline of topics to be discussed with estimated times.</i>	<i>One-time meeting. Due 3 days prior to meeting.</i>	<i>Memo via email.</i>	<i>CMS: ICO, OCO, ICOR, OCOR, IL, MISC, Project Team; IMAC: PM, Project Team; OMAC: CPM, Project Team; EDC; CEDI; SSM; NSC; PDAC; ZPIC; QIC, BCC, etc.</i>	<i>Incoming MAC with CMS input.</i>	3.6
4.	<i>Jurisdiction Kickoff Meeting.</i>	<i>1-1½ day meeting.</i>	<i>To review the incoming MAC implementation activities and associated outgoing MAC closeout activities.</i>	<i>One-time meeting scheduled within 30 days of contract award or effective date of contract.</i>	<i>Face-to-face meeting with teleconfer-ence capability.</i>	<i>CMS: ICO, OCO, ICOR, OCOR, IL, Project Team; IMAC: PM, Project Team; OMAC: CPM, Closeout Project Team; EDC; CEDI; SSM; NSC; PDAC; PSC; QIC, BCC, etc.</i>	<i>Incoming MAC Project Manager.</i>	3.6.3
5.	<i>Jurisdiction Kickoff Meeting Documentation.</i>	<i>Minutes, record of discussion, issues/ action items.</i>	<i>To document the discussion and issues and action items from the kickoff meeting.</i>	<i>3 days following meeting.</i>	<i>Memo via electronic mail.</i>	<i>All attendees.</i>	<i>Incoming MAC Project Manager.</i>	3.6
6.	<i>Jurisdiction Transition Contact List.</i>	<i>List of kickoff meeting attendees and others to be involved in the project.</i>	<i>To ensure that appropriate transition personnel can be reached as needed throughout the transition.</i>	<i>Update and distribute as changes are made.</i>	<i>Spread-sheet via electronic mail.</i>	<i>All kickoff meeting attendees and others identified to be involved in the transition.</i>	<i>Incoming MAC Project Manager.</i>	3.6
7.	<i>Deliverables List.</i>	<i>List of documents, information, files, etc. requested by the incoming MAC to be provided by the outgoing MAC.</i>	<i>To facilitate the transition from the outgoing MAC to the incoming MAC.</i>	<i>Development begins at contract award. Maintained and updated throughout the transition.</i>	<i>Memo via electronic mail.</i>	<i>OMAC: CPM; CMS: ICOR, OCOR, IL, MISC.</i>	<i>Incoming MAC Project Manager.</i>	5.6

Exhibits

No.	Activity	Description	Purpose	Frequency	Media	Audience	Responsibility	Ref.
8.	Segment Kickoff Meeting Agenda. (if required)	List of meeting topics with estimated times and dial-in teleconference number.	To provide participants with an outline of topics to be discussed and estimated times for the Segment kickoff meeting.	One-time meeting for each segment implementation. Due 3 days prior to meeting.	Memo via electronic mail.	CMS: ICO, OCO, ICOR, OCOR, IL, MISC; MAC: PM, Project Team leads; CI: CPM and Pro-Project Team; EDC, BCBSA; SSM; ZPIC; BCC; QIC, etc.	MAC Project Manager with input from CMS.	3.6.4.2
9.	Segment Kickoff Meeting. (if required)	1 day meeting.	To review the upcoming segment implementation and carrier/intermediary closeout activities.	One-time meeting for each segment implementation.	Face-to-face meeting or teleconference.	CMS: COs, COR, CM, IL, MISC, workgroup heads; MAC: PM, workgroup heads; CI: CPM, Project Team; BCBSA; EDC; SSM ZPIC; EDC; BCC ; QIC, etc.	MAC Project Manager.	3.7.5
10.	Segment Kickoff Meeting Documentation. (if required)	Minutes, record of discussion, and issues/action items.	To document the discussion and issues/action items from the Segment kickoff meeting.	3 days following meeting.	Memo via electronic mail.	All attendees.	MAC Project Manager.	3.6.4.2
11.	Segment Transition Contact List. (if required)	Contact list of segment kickoff meeting attendees and others involved in the project.	To ensure that appropriate segment transition personnel can be reached as needed throughout the transition.	Update and distribute as any changes are made.	Spreadsheet via electronic mail.	All attendees and workgroup members and others identified to be involved in the segment transition.	MAC Project Manager.	3.6.4.2
12.	Comprehensive Transition Workgroup Schedule/Calendar/ Contact List.	Document in calendar format showing all workgroups, heads, members, meeting times, and dial-in teleconference numbers.	To provide a reference calendar of all workgroup meetings and information.	Update and distribute as any changes are made.	Calendar format via electronic mail.	CMS: ICOR, OCOR, IL, MISC; Incoming MAC: Project Manager; Outgoing MAC: Closeout Project Manager; all workgroup members.	Incoming MAC Project Manager.	3.7.5

Exhibits

No.	Activity	Description	Purpose	Frequency	Media	Audience	Responsibility	Ref.
13.	Transition Workgroup Agenda.	Standardized outline of workgroup topics with dial-in teleconference number.	To provide participants with topics to be covered in the workgroup meeting.	One day prior to the meeting.	Memo via electronic mail.	CMS: IL, MISC; IMAC: PM, workgroup head; OMAC: CPM; all workgroup members.	Workgroup Head.	3.7.5
14.	Transition Workgroup Meetings.	Meetings for the various functional workgroups.	To monitor transition tasks and issues of the functional area for which the workgroup has responsibility.	Weekly meetings throughout the transition.	Teleconference.	All workgroup members.	Workgroup Head.	3.7.5
15.	Transition Workgroup Meeting Documentation.	Concise description of the workgroup meeting, issues, and action items.	To provide a record and document issues and action items pertaining to the workgroup.	Two days after each meeting.	Memo via electronic mail.	All workgroup members; all other workgroup heads; CMS: IL, MISC; IMAC: PM; OMAC: CPM.	Workgroup Head.	3.7.5
16.	Baseline Workload Templates	Monthly workload in various operational areas for the 12 months prior to the kickoff.	To establish a workload baseline for monitoring closeout operations and progress. Also documentation for analysis and use in the post-cutover period.	Submitted no later than 15 days after the kickoff meeting and monthly until cutover.	Distributed via electronic mail.	CMS: ICOR, OCOR, IL; IMAC: PM	Outgoing MAC Closeout Project Manager.	4.9.7 Exhibit 13
17.	Jurisdiction Implementation Project Plan (JIPP).	Project plan listing major tasks/subtasks required for the MAC jurisdiction implementation, along with dates, duration, dependencies, and responsible parties.	To document all actions required for the MAC jurisdiction implementation, identify dependencies, and establish start/completion dates in order to monitor progress and to facilitate the communication process among the parties involved in the transition.	Submitted in accordance with RFP or CMS. Baseline document developed within 30 days of kickoff.	Electronic. Project management software in, or convertible to, MS Project, MS Excel, or PDF format.	CMS: ICO, ICOR, IL, MISC; IMAC: PM, SPM; OMAC: CPM.	IMAC Project Manager. Input from all involved entities necessary for baseline JIPP. Baseline JIPP approved by CMS.	Imp. Handbook 4.3.1 11.2.1

Exhibits

No.	Activity	Description	Purpose	Frequency	Media	Audience	Responsibility	Ref.
18.	<i>Jurisdiction Implementation Project Plan (JIPP) Update.</i>	<i>Current information on the JIPP regarding project tasks, start and finish dates, dependencies, and completion percentage, including a list of tasks completed and off schedule.</i>	<i>To provide up-to-date information regarding all project tasks. This will allow the MAC Project Manager and all involved parties to effectively monitor and manage the overall project to ensure completion as scheduled.</i>	<i>Weekly. Submitted with the Implementation Project Status Report.</i>	<i>Electronic. Project management software in, or convertible to, MS Project, MS Excel, or PDF format.</i>	<i>CMS: ICO, ICOR, IL, MISC; IMAC: PM, SPM; OMAC: CPM</i>	<i>IMAC Project Manager.</i>	<i>Imp. Handbook 11.2.2 4.3.3</i>
19.	<i>Closeout Project Plan (CPP).</i>	<i>Project Plan listing major tasks/subtasks required for contract closeout activities.</i>	<i>To document all actions required for closing out the outgoing MAC's contract with start/end dates and dependencies in order to monitor progress and ensure completion of all closeout activities. Coordinated with JIPP.</i>	<i>Submitted within 15 days of kickoff meeting.</i>	<i>Electronic. Project management software in, or convertible to, MS Project, MS Excel, or PDF format.</i>	<i>CMS: OCO, OCOR, IL, MISC; IMAC: PM.</i>	<i>OMAC Closeout Project Manager.</i>	<i>4.3 4.9.1</i>
20.	<i>Closeout Project Plan Update.</i>	<i>Current information on the project plan regarding tasks, start/finish dates, dependencies, and completion percentage, including a list of tasks completed and off schedule.</i>	<i>To provide up-to-date information regarding all project tasks. This will allow CMS to effectively monitor and manage closeout activities to ensure completion as scheduled.</i>	<i>Weekly. Submitted with the Closeout Project Status Report.</i>	<i>Electronic. Project management software in, or convertible to, MS Project, MS Excel, or PDF format.</i>	<i>CMS: OCO, OCOR, IL, MISC; IMAC: PM.</i>	<i>OMAC Closeout Project Manager.</i>	<i>4.9.2</i>

Exhibits

No.	Activity	Description	Purpose	Frequency	Media	Audience	Responsibility	Ref.
21.	Implementation Project Status Report.	Narrative of Incoming MAC accomplishments by major tasks, issues/concerns, action items, upcoming activities.	To communicate progress and performance against the Incoming MAC implementation project schedule, highlight issues, concerns, action items, etc. regarding the implementation.	Weekly at least 2 days prior to the Project Status Meeting.	Memo via electronic mail.	CMS: ICO, OCO, ICOR, OCOR, IL, MISC; IMAC: PM; OMAC: CPM; work group heads; all others listed on Kickoff Meeting/ Contact List.	Incoming MAC Project Manager.	Imp. Handbk. 11.2.5
22.	Closeout Project Status Report.	Narrative description of Outgoing MAC accomplishments, issues, action items, upcoming activities.	To communicate progress and performance against the closeout plan and provide workload and staffing information.	Weekly at least 2 days prior to the Project Status Meeting.	Memo via electronic mail.	CMS: OCOR, ICOR, IL; IMAC: PM; Workgroup heads.	OMAC Closeout Project Manager.	4.9.5
23.	Project Status Meeting Agenda.	List of meeting topics with estimated times and dial-in teleconference number.	To provide participants with a description of topics to be discussed with estimated times.	Weekly at least 1 day before meeting.	Memo via electronic mail.	CMS: ICOR, OCOR, IL, MISC; IMAC: PM, workgroup heads; OMAC: CPM; all others on Kickoff Meeting/ Contact List.	Incoming MAC Project Manager.	4.10.4
24.	Project Status Meeting.	1-1½ hour general status meeting.	To keep all parties involved in the transition informed about the overall transition status, to discuss progress and issues, track action items and deliverables, and to review the Jurisdiction Implementation Project Plan and Closeout Plan.	Weekly	Conference call. Possible face-to-face meeting with tele-conference capability.	CMS: ICOR, OCOR, IL, MISC; IMAC: PM, workgroup heads; OMAC: CPM; EDC; SSM; CWF; CEDI; NSC; PDAC; PSC; QIC; etc.	Incoming MAC Project Manager.	4.10.4

Exhibits

No.	Activity	Description	Purpose	Frequency	Media	Audience	Responsibility	Ref.
25.	<i>Project Status Meeting Documentation.</i>	<i>List of attendees, discussion items, action items.</i>	<i>To document the issues and action items from the bi-weekly project status meeting.</i>	<i>3 days after meeting.</i>	<i>Memo via electronic mail.</i>	<i>All attendees.</i>	<i>Incoming MAC Project Manager.</i>	<i>4.10.4</i>
26.	<i>Closeout Risk Management Plan.</i>	<i>A plan that identifies and analyzes closeout risks, prioritizes them, and provides mitigation strategies and contingency plans.</i>	<i>To assist in managing and monitoring risks and mitigation activities.</i>	<i>Completed within 30 days of kickoff.</i>	<i>Distributed by electronic mail.</i>	CMS: ICOR, OCOR, IL, MISC; Incoming MAC: PM.	<i>Outgoing MAC Closeout Project Manager.</i>	<i>4.4.2.4 4.9.3</i>
27.	<i>Closeout Risk Management Plan Update</i>	<i>Update to risks based on periodic assessment or changed conditions.</i>	<i>To have up-to-date mitigation strategies and contingencies based on changes to the implementation and closeout environments.</i>	<i>As necessary, but at least monthly. Submitted with the Closeout Project Status Report.</i>	<i>Distributed by electronic mail.</i>	CMS: ICOR, OCOR, IL, MISC; Incoming MAC: PM.	<i>Outgoing MAC Closeout Project Manager.</i>	<i>4.9.4</i>
28.	<i>Master Issues Log/Action Items.</i>	<i>Comprehensive list that documents all issues/action items including ID, date created, description, responsible party, status, date of resolution. Accumulated from the various work-groups.</i>	<i>To track transition issues and action items related to the project. Will be reviewed during the transition project status meetings.</i>	<i>Reviewed weekly and updated as required. Submitted with the weekly Project Status Report.</i>	<i>Distributed by electronic mail.</i>	CMS: ICOR, OCOR, IL, MISC; Incoming MAC: PM, work-group heads.; Outgoing MAC: CPM.	<i>Incoming MAC Project Manager.</i>	<i>Imp. Handbook.</i>

Exhibits

No.	Activity	Description	Purpose	Frequency	Media	Audience	Responsibility	Ref.
29.	<i>Outgoing MAC Issues Log/Action Items.</i>	<i>List of issues/ action items that pertain solely to Outgoing MAC closeout activities.</i>	<i>To track any closeout issues related solely to the Outgoing MAC that are not monitored through the Incoming MAC's master issues log/action items.</i>	<i>Reviewed weekly and updated as required. Submitted with the biweekly Closeout Project Status Report.</i>	<i>Distributed by electronic mail.</i>	<i>CMS: Outgoing PO, IL, MISC.</i>	<i>Outgoing MAC Closeout Project Manager.</i>	4.9.6
30.	<i>Communication Plan.</i>	<i>A general description and detailed schedule of how the Incoming MAC will educate and keep all transition stakeholders informed of the progress of the implementation and how any changes may affect them.</i>	<i>To monitor communication activities and schedules for the implementation.</i>	<i>Developed within 30 days of kickoff meeting.</i>	<i>Distributed by electronic mail.</i>	<i>CMS: ICOR, OCOR, IL, MISC; Outgoing MAC: CPM.</i>	<i>Incoming MAC Project Manager with input from Outgoing MAC.</i>	5.14
31.	<i>Communication Plan. Update.</i>	<i>Update on communication activities and schedules.</i>	<i>To provide CMS with current information on communication activities and schedules.</i>	<i>Weekly. Submitted with the Implementation Project Status Report.</i>	<i>Distributed by electronic mail.</i>	<i>CMS: ICOR, IL, MISC; Outgoing MAC: CPM.</i>	<i>Incoming MAC Project Manager.</i>	<i>Imp. Handbk. 12.2</i>
32.	<i>Test Plan.</i>	<i>A specific and detailed description of the resources, types of tests and schedule.</i>	<i>To monitor the testing of the Incoming MAC's claims processing system and operational environment prior to cutover.</i>	<i>Baseline test plan developed within 30 days of kickoff meeting.</i>	<i>Distributed by electronic mail.</i>	<i>CMS: IL, MISC; Incoming MAC: PM, appropriate work-group heads; Outgoing MAC: CPM</i>	<i>Incoming MAC Project Manger.</i>	<i>Imp. Handbk. 8.2</i>

Exhibits

No.	Activity	Description	Purpose	Frequency	Media	Audience	Responsibility	Ref.
33.	<i>Test Plan Update.</i>	<i>Update on testing activities and schedules.</i>	<i>To track schedule progress and provide current information on testing.</i>	<i>Updated on a weekly basis and submitted with the Implementation Project Status Report.</i>	<i>Distributed by electronic mail.</i>	<i>CMS: IL, MISC; Incoming MAC: PM, appropriate work-group heads, Outgoing MAC: CPM.</i>	<i>Incoming MAC Project Manager.</i>	<i>Imp. Handbk. 8.2</i>
34.	<i>Workload Report.</i>	<i>Operational statistics from various Outgoing MAC functional areas. Actual monthly totals will be displayed against estimated monthly workload goals.</i>	<i>To assist CMS and the Incoming and Outgoing MACs in assessing progress and to allocate resources or modify transition activities if workload goals are not being met.</i>	<i>Weekly with monthly totals shown against estimated monthly workload goals.</i>	<i>Distributed by electronic mail.</i>	<i>CMS: OCOR, IL, MISC; IMAC: PM.</i>	<i>Outgoing MAC Closeout Project Manager.</i>	<i>4.9.7 Ex. 7</i>
35.	<i>Staffing Report.</i>	<i>Outgoing MAC report of staffing levels by function with any changes and reasons for changes.</i>	<i>To allow CMS to monitor staff attrition of the outgoing MAC and take any necessary actions based on staff losses.</i>	<i>Weekly.</i>	<i>Distributed by electronic mail.</i>	<i>CMS: OCOR, IL, MISC; IMAC: PM.</i>	<i>Outgoing MAC Closeout Project Manager.</i>	<i>4.9.8</i>
36.	<i>Asset Inventory.</i>	<i>A list of Outgoing MAC assets acquired to perform claims processing functions under its Medicare contract.</i>	<i>To inventory assets for the purpose of determining disposition so that the financial closeout of the Medicare contract can be accomplished. Assets may be sold, donated, transferred, or destroyed.</i>	<i>As soon as possible after notice of new MAC contract award.</i>	<i>Distributed by electronic mail.</i>	<i>CMS: ICO, OCO, ICOR, OCOR, IL; IMAC: PM.</i>	<i>Outgoing MAC Closeout Project Manager.</i>	<i>4.9.9 5.4</i>

Exhibits

No.	Activity	Description	Purpose	Frequency	Media	Audience	Responsibility	Ref.
37.	<i>Cutover Plan.</i>	<i>Day-by-day check-list of activities that need to be accomplished during the cutover period.</i>	<i>To assure that all tasks required for the transfer of Medicare files, records, equipment, etc., from the outgoing contractor are captured and tracked.</i>	<i>Submitted at least 45 days prior to the cutover period start date.</i>	<i>Distributed by electronic mail.</i>	<i>CMS: ICOR, OCOR, IL, MISC; IMAC: PM; OMAC: CPM; EDC; SSM; CWF; CEDI; NSC; PDAC; PSC; QIC; etc.</i>	<i>Incoming MAC Project Manager, with input from Outgoing MAC and other involved parties.</i>	6.2
38.	<i>Cutover Plan Update.</i>	<i>Updates to the cutover plan reflecting tasks completed.</i>	<i>To provide an up-to-date status of tasks required for cutover.</i>	<i>Daily during the cutover period.</i>	<i>Distributed by electronic mail.</i>	<i>CMS: ICOR, OCOR, IL, MISC; IMAC: PM; OMAC: CPM; EDC; SSM; CWF; CEDI; NSC; PDAC; PSC; QIC; etc.</i>	<i>Incoming MAC Project Manager.</i>	6.2
39.	<i>Cutover Meeting.</i>	<i>Status meeting generally one-half to one hour in length.</i>	<i>To review the Cutover Plan and progress of activities, including action items, concerns, risks, and contingencies.</i>	<i>Daily beginning 7-10 days before cutover and continuing at least one week after cutover.</i>	<i>Teleconference.</i>	<i>CMS: ICOR, OCOR, IL, MISC; IMAC: PM; OMAC: CPM; EDC; SSM; CWF; CEDI; NSC; PDAC; PSC; QIC; etc.</i>	<i>Incoming MAC Project Manager.</i>	6.4
40.	<i>Cutover Meeting Documentation.</i>	<i>Brief synopsis of attendees, discussion items, and action items.</i>	<i>To document cutover meeting conference calls.</i>	<i>Prior to next daily meeting.</i>	<i>Memo via electronic mail.</i>	<i>All attendees of the Cutover meeting.</i>	<i>Incoming MAC Project Manager.</i>	6.4
41.	<i>File Inventory.</i>	<i>An inventory of all Outgoing MAC files to be transferred to the Incoming MAC with a description and location.</i>	<i>Used for CMS review and to develop the file transfer plan.</i>	<i>Draft due 45 days prior to cutover. Finalized during the cutover period</i>	<i>Distributed by electronic mail.</i>	<i>CMS: ICOR, OCOR, IL, MISC; IMAC: PM.</i>	<i>Outgoing MAC Closeout Project Manager.</i>	4.9.10 5.12 6.10.1

No.	Activity	Description	Purpose	Frequency	Media	Audience	Responsibility	Ref.
42.	<i>File Transfer Plan.</i>	<i>Description of Medicare files and records to be transferred by type, how and where they will be moved, and schedule.</i>	<i>To provide the logistics for actual transfer of files and to assist CMS in monitoring file preparations and the relocation of files.</i>	<i>Draft due 30 days prior to cutover with final due during cutover period.</i>	<i>Distributed by electronic mail.</i>	<i>CMS: ICOR, OCOR, IL, MISC; IMAC: PM; OMAC: CPM.</i>	<i>Joint responsibility: Incoming MAC Project Manager and Outgoing MAC Closeout Project Manager.</i>	<i>4.9.11 6.10.2 Exhibit 14</i>
43.	<i>Go/No-Go Decision Meeting.</i>	<i>An optional meeting to assess any impediments to the established cutover schedule.</i>	<i>To assist CMS in determining whether to proceed with the final cutover or delay because of unanticipated problems/issues with the implementation .</i>	<i>Optional one-time meeting 7-10 days prior to scheduled cutover</i>	<i>Teleconference.</i>	<i>All parties directly involved in the cutover process.</i>	<i>Incoming MAC Project Manager with input from CMS.</i>	<i>6.5</i>
44.	<i>Post Project Review (Lessons Learned).</i>	<i>A discussion of transition successes and areas that could be improved.</i>	<i>To document lessons learned and improvements to the transition process. A compilation of lessons learned from all parties involved in the transition will be used as the basis for the Post-Project Review Meeting.</i>	<i>One-time. Due 4-6 weeks after cutover. The Incoming MAC will compile lessons learned from other involved parties into a single document and distribute one week prior to the Post-Project Review Meeting.</i>	<i>Distributed by electronic mail.</i>	<i>CMS: ICOR, OCOR, IL, MISC; IMAC: PM ; OMAC: CPM; all parties directly involved in the transition.</i>	<i>Incoming MAC Project Manager with input from project leads of all parties involved in the transition.</i>	<i>4.9.12 6.13.6</i>
45.	<i>Post-Project Review Meeting (Lessons Learned).</i>	<i>1-2 hour meeting.</i>	<i>To discuss transition practices that worked well and areas for improvement for future transitions.</i>	<i>One-time. Approximately 4- 6 weeks following cutover.</i>	<i>Teleconference or possible face-to-face meeting.</i>	<i>CMS: ICOR, OCOR, IL, MISC; IMAC: PM; OMAC: CPM ; all parties directly involved in the transition.</i>	<i>Incoming MAC Project Manager.</i>	<i>4.10.7 6.13.7</i>

**Exhibit 7
Sample Workload Report (Cont.)**

CMS Weekly Report

Week Ending (Saturday)	Claims Workload Report (1566 Workload Report 308)					
	Claims Open Pending	Claims Received	Total Processed	Pending End of Week	Pending over 30 days	Pending over 60 days
	24,310	42,700	42,834	23,384	2,722	1,614
	23,384	42,908	44,206	21,245	1,653	996
	21,245	37,804	34,163	24,423	4,130	1,553
	24,423	45,223	46,249	22,613	2,837	1,293
	22,613	45,085	45,782	21,188	2,009	1,084
	21,188	43,465	42,737	21,454	1,500	908
	21,454	42,467	41,851	21,339	8,353	1,329
	21,339	38,226	31,667	27,600	3,339	1,252
	27,600	42,846	34,675	35,310	2,292	1,092
	35,310	43,212	55,067	22,501	1,261	477
	22,501	43,401	44,407	20,762	1,013	381
	20,762	42,174	42,204	20,084	2,736	871
	20,084	45,595	45,335	19,948	1,915	807
	19,948	40,551	41,571	18,312	1,495	675
	18,312	41,639	40,447	18,812	967	498
	18,812	40,742	41,049	18,096	3,187	771

**Exhibit 7
Sample Workload Report (Cont.)**

CMS Weekly Report

Week Ending (Saturday)	MSP Workload			
	Total Pending Cases	Cases Received	Cases Closed	Ending Cases
	11,757	133	-163	11,727
	11,727	127	-100	11,754
	11,754	162	-217	11,699
	11,699	147	-182	11,664
	11,664	150	-235	11,579
	11,579	126	-62	11,643
	11,643	106	-160	11,589
	Report unavailable this week			
	11,589	129	-211	11,507
	11,507	76	-89	11,494
	11,494	117	-192	11,419
	11,419	85	-249	11,255
	11,255	225	-260	11,220
	11,220	319	-226	11,313
	11,313	131	-229	11,215
	11,215	88	-112	11,191

Exhibit 7 Sample Workload Report (Cont.)

CMS Weekly Report

CMS Weekly Report

Week Ending (Saturday)	Appeals Workload Report										Medical Review Report									
	Appeals Received	Appeals Completed	Appeals Reviews Pending	Appeals Over 45 Days	Part B FH Rec'd	Part B FH Completed	Part B FH Pending	Part B ALJ Rec'd	Part B ALJ Completed	Part B ALJ Pending	Part A Recon Rec'd	Part A Recon Completed	Part A Recon Pending	Part A ALJ Rec'd	Part A ALJ Completed	Part A ALJ Pending	FTE's Working Appeals	Lab Appeals Received	Regular Appeals Received	Appeals Rec'd No Records
	101	124	236	66													3	64	37	12
	4	172	71	6													3	0	4	1
	32	24	102	0	0	1	8	0	0	35	1	1	5	0	0	5	3	Note: No longer reporting these items		
	39	39	102	0	0	1	7	0	1	34	0	1	4	0	0	5	3			
	37	27	112	0	1	0	8	0	0	34	0	0	4	0	0	5	2.5			
	36	22	126	0	1	0	9	0	0	34	0	2	2	0	0	5	2.5			
	37	14	149	0	0	0	9	0	0	34	2	0	4	0	0	5	2.5			
	23	77	95	0	8	5	12	1	0	35	1	2	3	0	0	5	2.5			
	15	53	57	0	1	0	13	0	1	34	1	1	3	0	0	5	2.5			
	41	30	68	0	2	0	15	1	5	30	0	1	2	0	0	5	2.5			
	50	0	118	0	0	0	15	0	0	30	0	0	2	0	0	5	0.5			
	37	30	125	0	10	2	23	0	2	28	0	0	2	0	0	5	2.0			
	45	30	136	0	0	1	22	0	1	27	0	1	1	0	0	5	2.5			
	18	56	98	0	6	9	15	0	0	27	0	0	1	0	0	5	Note: No longer reporting these items			
	24	32	90	0	5	0	20	0	0	27	2	0	3	0	1	4				

Exhibit 8 Sample Staffing Report

Medicare Contractor Staffing Changes:
Date: Week Ending

	1st week	2nd week	3rd week	4th week
	Head Count	Head Count	Head Count	Head Count
Claims/EDI				
Staffing Level				
Permanent	15	15	15	0
Temp/Contractor				0
Customer Service				
Staffing Level				
Permanent	10	9	9	0
Temp/Contractor	0	4	5	0
Provider Communication				
Staffing Level				
Permanent	1	1	1	0
Temp/Contractor				0
Medical Review				
Staffing Level				
Permanent	8	8	8	0
Temp/Contractor				0
Medical Appeals				
Staffing Level				
Permanent	2	2	1	0
Temp/Contractor				0
MSP				
Staffing Level				
Permanent	17	17	17	0
Temp/Contractor	1	1	2	0
Audit				
Staffing Level				
Permanent	18	18	17	0
Temp/Contractor	1	1	1	0
Reimbursement				
Staffing Level				
Permanent	9	9	9	0
Temp/Contractor				0
Provider Enrollment				
Staffing Level				
Permanent	1	1	1	0
Temp/Contractor				0
Administration				
Staffing Level				
Permanent	10	10	10	0
Temp/Contractor				
TOTAL				
Staffing Level	93	96	96	0

Comments
Date Comment/Explanation

Exhibit 9 Sample Financial Closeout Letter

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850
JSM/TDL-09412, 08-27-09



August 27, 2009

TriSpan Health Services
1064 Flynt Dr.
P.O. Box 23046
Jackson, MS 39232-9570

Dear _____:

Effective September 30, 2009, TriSpan Health Services, (TriSpan # 232) will transition to Pinnacle Business Solutions, Inc. (Pinnacle). The Centers for Medicare & Medicaid Services (CMS) would like to reiterate the related financial reporting requirements.

The CMS has the primary responsibility for safeguarding the assets of the Medicare Trust Funds; therefore, it is imperative that TriSpan provide all required financial reports timely. Listed below are the required financial reports and the corresponding due dates:

1. Cash Collection Worksheet for September 30, 2009 October 2, 2009
(submit to cashcollection@cms.hhs.gov)
2. Form CMS-750 (Partial) and Form CMS-751 Report October 8, 2009
as of September 30, 2009
3. Form CMS-750 (Full) and Form CMS-751 Report October 26, 2009
as of September 30, 2009
4. Form CMS-1521/1522 Report as of September 30, 2009 October 26, 2009

TriSpan must report the transfer of receivables on Line 5c, Transfer out to other Medicare contractors on the Forms CMS-H751/ M751 and on Line 5b, Transfer out to other Medicare contractors on the Forms CMS-C751/MC751, respectively, as of September 30, 2009. On Forms CMS-H751/M751, Section D: Transferred Receivables must also be completed. The transferred principal and interest amounts will also be reported on the Forms CMS-750 reports, under the Revenue and Expense sections on the Transfers out to

Exhibit 9
Sample Financial Closeout Letter (Cont.)

Medicare contractor lines. Pinnacle will be reporting the transferred amounts as transfers in on all applicable Forms CMS-H751/M751, C751/MC751 and Form CMS-750 reports.

Therefore, TriSpan must communicate the transferred amounts, including delinquent aging and status categories, as of September 30, 2009, to ensure that reporting deadlines are met by both parties and that the amounts agree. TriSpan shall provide the transferred amounts as of September 30, 2009, to Pinnacle by October 2, 2009.

TriSpan must also complete the Accounts Receivable Transmittal Document (see Attachment) by October 2, 2009, which documents the number and value of principal and interest accounts receivable that will be transferred to Pinnacle. This document must be signed by the Chief Financial Officer for Medicare Operations for Pinnacle, as well as the Associate Regional Administrator, Division of Medicare Financial Management and Fee-for-Service Operations, Dallas Regional Office. The Dallas Regional Office can provide further guidance regarding completion of this form.

Access to the Contractor Administrative Budget and Financial Management (CAFM) System for financial reporting of Forms CMS-750/751 reports will be revoked for TriSpan. Therefore, Form CMS-750 and Form CMS-751 reports must be certified in CAFM, as of September 30, 2009, by October 8 and October 26, 2009. If you have any questions in meeting the deadline, please contact Lataysheia Lance at (____) ____-____, or Hester Jackson-Chase at (____) ____-____. Questions regarding the submission of the Forms CMS-1521/1522 should be directed to Ike Steinharter at (____) ____-____.

We appreciate your continued commitment to financial management during this transition period.

/s/

Director
Accounting Management Group
Group
Office of Financial Management

/s/

Director
Medicare Contractor Management
Center for Medicare Management

Attachment

cc:

Exhibit 9
Sample Financial Closeout Memorandum (Cont.)

Attachment

ACCOUNTS RECEIVABLE TRANSMITTAL DOCUMENT

This document is a record of the transfer and acceptance of the number and value of accounts receivable as of September 30, 2009, from the outgoing Medicare contractor, TriSpan, to the acquiring Medicare contractor, Pinnacle. This transfer is in accordance with the provisions of the CMS accounts receivable transition process. These accounts receivables are transferred to Pinnacle in full acknowledgement that the total number and value of the receivables cannot be certified as of the date of this transition due to the volume of the activity and time constraints.

Pinnacle will record and report the following number and value of principal and interest accounts receivable that has been transferred from TriSpan.

	Principle		Interest	
	Number	Value	Number	Value
Part A of A				
- Non-MSP				
- MSP				
Total				
- Non-MSP CNC				
- MSP CNC				
Part B of A				
- Non-MSP				
- MSP				
Total				
- Non-MSP CNC				
- MSP CNC				
Part B of B				
- Non-MSP				
- MSP				
Total				
- Non-MSP CNC				
- MSP CNC				

In accordance with CMS' transition policy, Pinnacle shall reconcile the accounts receivable being transferred to the actual case files within one year of the date of this agreement. The appropriate regional office must approve discrepancies determined as a result of the reconciliation with any upward or downward adjustments being made to the receivable balance being reported by Pinnacle.

Exhibit 9
Sample Financial Closeout Memorandum (Cont.)

CERTIFICATION

TriSpan the outgoing contractor, and Pinnacle, the acquiring contractor, acknowledge the transfer and acceptance of accounts receivable from Medicare operations as indicated on this document. In accordance with CMS' policy, Pinnacle accepts responsibility for these accounts receivables and will take all the appropriate collection, compromise, referral, and/or write-off action in accordance with CMS' instructions.

TriSpan and Pinnacle will report the transfer of these accounts receivable on the Forms CMS-751 Reports, Status of Accounts Receivable, for the period ended September 30, 2009.

Officials from CMS, Office of Inspector General, the Government Accountability Office or any other appropriate Government Agency has the authority to request and review any and all documentation pertaining to these debts.

Designated Representative, Centers for Medicare & Medicaid Services

Designated Representative, TriSpan Health Services

Designated Representative, Pinnacle Business Solutions, Inc.

Exhibit 10

Workload Transition Lessons Learned – January 2012

The following is a compilation of lessons learned gathered during MAC workload transitions. Not all of the lessons learned may be applicable to every transition.

Project Management

1. The MAC implementation team must use a structured management approach for planning, managing and tracking project progress. The key components should include a project schedule and other primary communication tools (i.e. project status report and an issues log).
2. A uniform document naming convention should be applied to ensure consistency of document naming and version control throughout the workgroups.
3. The MAC should create and maintain an implementation communication plan to summarize their plans for meetings and other communication vehicles to be used during MAC implementations.
4. Project plans and cutover plans must be maintained and distributed regularly. When start and finish dates are not updated timely, it is unclear to the recipients if tasks were completed, overlooked or unnecessary.
5. A master deliverables list should be created and maintained throughout each segment implementation. The deliverables list should be detailed enough so that the OGC can deliver what the MAC expects. Keeping in mind the probable differences in terminology, the MAC should not assume that the OGC will interpret things the same way. The MAC implementation team members should be made aware of the status of the requested deliverables and the points of contact so that there are not multiple requests for the same information.
6. The MAC should notify the OGC of its intentions to send acknowledgement of receipt for each deliverable or only to respond to those deliverables with questions or concerns.
7. The OGC deliverables listing should include a target date for review and acceptance of the deliverable by the MAC. In addition, once the due dates for external deliverables are agreed upon, the MAC should adhere to the schedule and report/document items as late rather than changing the due date or granting an extension.
8. The OGC should carefully review the initial deliverables list and confirm within the first few weeks which deliverables they will provide and identify those they deem proprietary. This will allow the MAC time to develop contingency plans for obtaining alternate information.

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

9. Tasks should be included on the JIPP to confirm with CMS operational areas that work has been completed to transfer the workload/providers in STAR and PS&R from the OGC's region to the MAC's region.
10. Discussions with CMS on how to handle specialty or national provider situations should be held shortly after kickoff so the appropriate preparations can be made by the incoming MAC. In addition, early decisions will allow the providers to adjust and prepare for the move to the MAC.
11. The MAC should work with the OGCs to develop and sign data sharing agreements for all types of data that may need to be shared post-implementation, including files that are commingled and cannot be separated. This task should occur early enough in the implementation to ensure that agreements are signed prior to cutover.
12. The BCC has established a specific email box for the MAC implementations: mac.contact@vangent.com.
13. Based on the CMS Privacy Act Implementation Policy, MACs do not enter into data usage agreements (DUAs) with CMS due to the fact that they are deemed "Operational" contractors and the language in their contracts covers the same language that is included in DUAs.
14. The MAC's SIPPs, cutover plans, and deliverables will need to be customized for transitioning commingled workloads in cases where the data cannot be separated.
15. The MAC can gain important information about the current processes in place at the OGC by conducting onsite visits, in lieu of conducting due diligence via teleconference/off-site meetings.
16. An on-site due diligence is an important step for the MAC's understanding of electronic information. While it is understandable that there would be limits to what the MAC could access, it is very important to be able to view applications necessary for MAC operations, especially given that many contractors use electronic databases and images outside of the standard system to process their daily work. Without an on-site visit, unforeseen issues can arise later during the critical stages of the implementation.
17. In the event that the OGC denies a MAC's request for on-site due diligence reviews, the MAC needs to establish a process that ensures that they obtain the information necessary in a timely fashion. It may be advisable for the MAC to conduct their due diligence reviews as a separate work session either via teleconference, at the MAC's location, or a non-operational site near the OGC. The OGC should provide sufficient time for discussion and the same resources that they

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

would have provided if they were on-site. The MAC should avoid relying on email communications and additional deliverables as this will ultimately delay the process and may not uncover information that is significant to the successful transfer of the workload.

18. The current RO staff/Contract Managers should provide input to the MAC regarding the OGC's outstanding issues for each segment workload. They should advise the MAC on the potential provider groups or issues the MAC could encounter as well as offer suggestions where service to providers could be improved.
19. MACs and OGCs should identify issues that require CMS decisions or any issues that could affect programming early in the implementation process in order to allow adequate time for programming changes or the development of contingency plans.
20. The incoming MAC should closely monitor issues involving multiple parties (i.e. CMS, CWF) since these types of decisions may require coordination between multiple groups; and therefore, take more time to resolve.
21. The transfer of imaged files should be discussed early in the implementation process. This is an ideal topic for onsite and due diligence reviews. Discussion should include:
 - the imaging system
 - image formats
 - workload types imaged
 - at what points the documents are imaged
 - volumes for imaged files and the equipment and time that will be required to burn the images
 - indexing and labeling for CDs/DVDs
22. The MAC must solicit input from key stakeholders regarding meeting day and time availability. The meeting schedule should not be finalized until approved by key stakeholders.
23. Reoccurring meetings throughout the course of the implementation need to be scheduled far enough in advance to allow for adequate planning and appropriate coverage by all stakeholders.
24. Workgroup calls should be coordinated in a way that minimizes overlap and therefore, does not present resource issues for any of the stakeholders. Also, issuing a calendar of meetings on a weekly basis helps stakeholders ensure calls (particularly new recurring calls and ad-hoc calls) are not overlooked.

Exhibit 10
Workload Transition Lessons Learned – January 2012 (Cont.)

25. The incoming contractor should ensure there are enough lines available for workgroup teleconferences and pass codes should be confirmed prior to the calls. In past implementations, there have been instances where there were not enough lines for all parties to dial into the various workgroup calls.
26. The MAC must clearly define the purpose of each type of meeting far enough in advance that each stakeholder has the opportunity to identify appropriate resources to attend each MAC meeting.
27. Daily cutover calls should be thoroughly documented by distributing minutes that include: attendees, topics of discussion and action items.
28. Cutover meeting expectations need to be clearly defined for all participants in order to help gauge the right mix of management, business analysts and/or technical participants.
29. The MAC should ensure that interfaces are addressed either in a separate functional workgroup or combined with the systems workgroup. If separate, this workgroup should be conducted and documented consistent with the methods utilized for the other functional workgroups.
30. Utilizing an “organizational” role call for most workgroup calls (in lieu of requesting the name of each attendee) resulted in an efficient use of time while ensuring all stakeholders were present. However when speaking, each person should announce their individual name and stakeholder/company they represent.
31. Consolidating the workgroups calls into one weekly call approximately three to four weeks prior to cutover provides a forum for quicker resolution of issues and questions since the right people are on the calls, allows staff to focus on the tasks for the upcoming cutover and eliminates duplicate discussions in separate workgroups.
32. During the kickoff meetings, the conference call-in line should not announce joining and exiting parties. Additionally, the lines for all callers should be systematically muted until the presenters are ready for questions from callers.
33. The MAC should consider assigning the same segment and workgroup leads for each segment to establish consistency. If the same leads cannot be assigned, then the MAC should have previous leads participate in meetings, plan development and issue resolution.
34. To reduce the risk of emails being returned to sender, the MAC should send separate emails or zip files when sending out large files for meetings.

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

35. The MAC should plan to provide a draft File Transfer Plan, including workload transfer inventory template either at the kickoff or very early in the implementation with a review period so all parties are clear and understand up front the expectations throughout the transition. The MAC may also want to distribute a questionnaire for each OGC to complete. The MAC may want to conduct a break-out session at the kickoff to discuss the expectations and include a representative from the MAC's document control department (to cover both hardcopy and electronic file transfers). It is important for the MAC to give clear instructions on how and when to transfer pending workload vs. completed work files.
36. Within the File and Record Transfer Plan, the MAC should request that the OGC prepare a master list of all boxed files being transferred to the MAC's on-site and off-site facilities. This will enable the MAC to understand what is contained within the boxes without having to open each box to ascertain if all documents needed were received. The MAC may also want to consider having onsite representation at the OGC to oversee the file transfers process.
37. For split workloads, it is important for the MAC to understand that the OGC cannot provide deliverables that either contain specific provider numbers or rely on statistics gathered by use of provider numbers until CMS has approved the list of providers for transfer to the MAC.
38. If an incoming workload needs to be split from one that will stay with an OGC/OMAC, all entities must work together to ensure the UAT, prod sim and cutover plans include all the necessary activities for all components of the split. All activities must be orchestrated in a way that places equal focus on each of the workloads and this focus must continue all the way through to the first few days after cutover. Early in the implementation, the EDC and SSM should coordinate and document a timeline schedule for the workload split. This schedule should be presented to all stakeholders for discussion and agreement.
39. The MAC needs to determine what the working relationship is between the OGC and their PSC. Early in the process the MAC should request a written explanation of the current relationship, monthly workload, workflow and systems/interfaces used. The relationship and work process varies from PSC to PSC and it is important for the MAC to determine how it varies from what they are used to.
40. The MAC should consider establishing a cutover workgroup to manage all cutover activities. This group should begin to meet several weeks prior to cutover. However, internal cutover planning would need to be started well in advance of the external cutover meetings since the internal cutover workgroup would be responsible for cutover planning and scheduling, developing the cutover plan, and facilitating data migration.

Exhibit 10
Workload Transition Lessons Learned – January 2012 (Cont.)

41. The cutover project plan should have a “freeze” date as well as version number to identify the most current version for review.
42. The MAC should consider having a standard agenda item to discuss lessons learned during jurisdiction status meetings and/or workgroup meetings so that lessons are documented soon after they are identified and that all stakeholders are in agreement.
43. For daily cutover calls, it would be best to use an ID access code rather than operator connection since there may be limited operator coverage especially for weekend cutover calls.
44. When using a documentation portal such as SharePoint for project information, the MAC should plan to distribute documents and training materials at the beginning of the project until access for all team members is available. This includes materials for the kickoff meeting. Access to the portal for all project team members (internal and external) should be available as soon as possible following the kickoff meeting.
45. To avoid duplication of efforts, the format (electronic vs. hardcopy) of deliverables should be decided upon early in the transition.
46. The MAC should include the COBC contractor, GHI (Jim Brady, JBrady@ehmedicare.com, 646-458-6682) in the project kickoff meeting as well as project status meetings. Once dark days and cycle schedules are finalized, the MAC should also consider scheduling a walkthrough call with the COBC contractor to ensure all details and timings are coordinated and understood.
47. During the kickoff meeting, the EDC should determine whether or not the MAC will need temporary environment access and update project schedule tasks to include the access request, tracking and verification if necessary.
48. When requesting approval for the payment floor drop, CMS requires the MAC to submit a comprehensive written plan that describes the reason, the process, the timing of the floor release and plans for communicating impacts to the providers.
49. When submitting post cutover workload reports to CMS, it is helpful for the MAC to provide an explanation for unusual circumstances which typically generate questions (i.e., negative inventories, high pending levels, low processed levels, etc.). This helps CMS with the interpretation of the data and avoids follow up questions.
50. The MAC should ensure the mailbox used for deliverables can accept large files in order to ensure deliverable submissions can be received.

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

51. Some MACs have found it beneficial to develop a cutover cycle schedule and include it as a tab in the cutover plan. This has proven to be very helpful in identifying key cutover activities such as cycle run times, dark days, pay forwards, PIP and pass-through payments, etc.

Communications

52. The OGC should provide the MAC with all available provider contact information in the event that the MAC needs to contact the providers prior to implementation.
53. To increase provider awareness of implementation information to the provider community, the MAC should consider sending letters to both the billing address and physical practice locations.
54. The MAC should coordinate education efforts with the OGC when educating providers on a partial split of workload from one contractor to another. In those situations where unique workloads are not moving with the home state workloads, education to those providers should occur as early as possible.
55. The MAC should launch their implementation website as soon as possible following the contract award. The website should provide current information on the implementation and give status updates throughout the process. It may also provide FAQs, display links to other Medicare informational sites, and discuss any changes that will occur at cutover.
56. A hyper-link to the MAC's website should be added to the OGC's website to provide a communication vehicle for providers and vendors that have questions related to the implementation.
57. Housing Part A, Part B and state-specific information separately on the website may allow easier navigation for providers.
58. To avoid confusion, payment cycle information that is supplied to providers should include the date the outgoing bank file is sent to the bank and the date that the funds will be distributed to the provider's account.
59. The MAC should obtain the OGC's email listserv subscriber file at the beginning of the implementation.
60. The MAC needs to notify providers early and frequently and reiterate the importance of using the new contractor number post cutover. In addition to listservs, teleconferences/seminars and the use of audit trail messages, the MAC should explore other venues to aid in communication so that the entire provider

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

population is aware of the upcoming implementation and any changes they may be required to make.

61. Communication to the provider community should be initiated immediately after the segment kick-off.
62. Communication to the provider community needs to be clear that the transition is not driven by date of service and involves the transfer of both pending and closed records.
63. Using a conference line with a moderator to mute/un-mute participant lines for Ask the Contractor Teleconferences (ACTs) offers a better experience for the presenters and participants.
64. The contractor should ensure that key transition information is distributed via listserv or website posting prior to conducting the first Ask the Contractor Teleconference (ACT). This will provide the audience with basic information before the teleconference and a written reference source for during and after the ACT.
65. The MAC should ensure that the OGC is aware, in advance, of all communications that the MAC issues to the provider community. This will ensure that the OGC can respond appropriately to any inquiries they might receive regarding MAC communications.
66. It is important that the MAC notify providers who rely on DDE or IVR to access eligibility status that they will not have this access during the dark days. In addition, the MAC should publish any alternative methods for obtaining Medicare eligibility during the dark days.
67. DDE providers who use the HIQA transactions to check provider eligibility need to be educated by the MAC to use the new individual state MAC contractor number for this function. This is especially important for those providers who accessed multiple dates under a single contractor number previously.
68. The MAC should consider creating webinars and/or internet tools to assist providers with problematic areas such as the IVR. For example, the process of converting letters to numbers via the IVR was a difficult concept for providers in a prior implementation.
69. With the issuance of JSM/TDL-09248 and the Do Not Forward directive, the MAC will need to be aggressive with their approach in collecting the CMS 588 forms from the OGC's active EFT recipients. The MAC should begin sending communications to the provider community at the start of the segment with firm

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

and precise language explaining that payments will be suspended if these forms are not received prior to the cutover date. In addition, workshops/teleconferences should be held frequently throughout the segment cutover to reiterate this information.

70. In situations where there are multiple workloads in a single CICS region, there should be early discussions about how the MAC plans to instruct submitters in the use of the contractor number (separate state contractor number or roll-up number) when they submit their claims.
71. In order to facilitate the timely release of provider communications related to dark day(s), last date to send EMC, etc., the MAC should consider developing a draft of the communication and seek advanced stakeholder/CMS approval so that as soon as the dark day approval is given, the communication can be released.

Claims Processing/Operations

72. When validating print files, the MAC should insure that a sample of the EMC files that are selected are for those providers set to receive hardcopy RAs.
73. Post cutover system reporting processes should be developed early in the implementation to allow for timeframes/expectations to be communicated and understood by all parties. This is especially important for cutovers that do not occur at month end.
74. A comparison of the CMS 1500 form billing instructions should be performed by the MAC and providers should be educated of any differences identified.
75. When entering quarterly reports in the CROWD system, the OGC should use the actual date that the reports cover rather than the quarter end dates.
76. The OGC should plan on working down inventories as much as possible prior to cutover. Incoming MACs and OGCs should be prepared for an increase in workload prior to cutover.
77. The OGC should provide weekly inventory reports to the MAC workgroups to allow the MAC to adequately monitor inventory fluctuations. The OGC should begin sharing workload reporting immediately after kickoff to allow work on contingency plans if necessary. The MAC's review of the OGC's pending workload is a critical measure. Questions from the MAC should be as detailed as possible since for example, asking the OGC of any unusual situations may not be explicit enough. What may not be defined as unusual to the OGC could be considered unusual to the MAC. The MAC should notify the OGCs' Regional

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

Offices of the contractor changes so they can send Tie-In Notices to the appropriate contractor.

78. If an OGC determines that processing instructions are proprietary, the MAC should assess the impacts and elevate issues as early in the implementation as possible.
79. The MAC should request the OGC to stop accepting provider enrollment applications early enough to allow ample time for the OGC to complete any updates prior to the transfer. This generally occurs 7-10 days prior to cutover.
80. The MAC should discuss all workload requirements and determine if the reports are from the standard system or site specific ad-hoc reports.
81. In order to prevent claim batches from being dropped during a split process, the MAC should ensure that none are left in an open status at cutover. Initialized batches which do not contain a provider number will be dropped during the split process. The MAC and OGC need to coordinate to get these batches re-initialized post cutover.
82. The MAC should have internal discussions early in the process to ensure that the OGC medical policy information is loaded in the claims processing system in order to correctly process claims received after cutover but which contain dates of service prior to the cutover.
83. The MAC should perform early analysis to identify any problems with location codes. Incorrect location codes carried over from the OGC's system could prevent ICNs/CCNs from appearing on the MAC's workload reports. In addition, waiting too long in the project to identify this type of problem may not allow the EDC the necessary time to systematically update/correct the system prior to cutover.
84. The MAC should ensure unique activities (e.g. procedure specialties/provider types and volumes) handled by the OGC are discussed during the kickoff meeting.
85. When scanning OCR work for entry into FISS, the MAC should ensure that FISS accepts the claim using the correct receipt date. During a previous implementation, an issue was discovered where FISS used the date of entry into the system as the receipt date. The MAC should test the process using a receipt date that will be earlier than the date it is accepted into the FISS test system to ensure it is assigning the correct receipt date.
86. MCS retains eight generations of purged history. The MAC will need to ensure the PSC/ZPIC is aware of this so they can plan accordingly.

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

87. When establishing new PTANs to replace duplicate PTANs, they must be created within the MCS DATAIN and not within PECOS. If they are mistakenly created in PECOS, the new PTAN will overlay the old PTAN in MCS and cause a system abend. Prior to cutover, the MAC should notify the impacted providers of their new PTAN number and should instruct the providers to begin using their new PTAN number at cutover.
88. Any written instructions regarding file inventories, crosswalk samples, or image retrieval processes that are provided to the MAC by the OGC should be disseminated to all operational workgroup leads so that there is a clear understanding and any questions or concerns can be discussed during scheduled workgroup calls.
89. The MAC should advise the RAC to use the MAC workload number and not the HIGLAS workload number when submitting adjustment files.
90. For HHH workload transitions, the MAC's understanding of provider based providers versus free standing providers early in a transition is beneficial. There are many unique considerations related to provider enrollment and EFT's that are impacted by the different provider types. The MAC should obtain a listing early in the transition (prior to requesting 588 forms) detailing which providers are free standing and which are provider based.

Financial

91. HIGLAS roundtrip testing and bank files testing should be performed simultaneously as both require special set ups in FISS, in HIGLAS, and at the bank.
92. The EDC needs to maintain back-ups of the bank clears files for the entire testing time frame. If the backups are not maintained for the entire testing timeframe, then this process may not be able to be fully validated during testing. The EDC needs to keep enough backups of the bank clears files in the event that testing isn't done for a month or more from when the clone occurred.
93. For Part A implementations, the MAC needs to discuss how to change from weekly to daily payment cycles early in the implementation so that whatever approach is taken, it can be thoroughly tested in production simulation.
94. The MAC should discuss all financial reporting requirements early in the implementation process to allow ample time for seeking clarification and to ensure that all parties clearly understand and agree to the expectations. In addition, the MAC and OGC should pay particular attention to the cutover date and the 'go live' date when determining the last financial cycle for the OGC. If it is determined that

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

the OGC's last financial cycle must occur a day or two prior to the last day of the month, considerations will need to be made to avoid having the OGC provide separate financial reporting for those days. The MAC, OGC and EDC also need to consider if any further financial activity will need to be captured within the monthly and quarterly reports for those remaining days and how it will be done. These discussions should take place during the UAT and production simulation builds to ensure any changes are tested prior to the execution of the cutover plan.

95. The MAC should immediately begin its efforts to obtain new EFT agreements.
96. The MAC will not be required to obtain new EFT agreements for their legacy workload as long as the MAC's bank does not change.
97. The MAC should manage EFT agreements for providers or suppliers undergoing a transition according to the instructions provided in JSM 09248. If the provider fails to submit a new CMS-588 form as required, the MAC shall place the provider in a "do not forward" (DNF) status. As a result of this JSM, it is extremely important that the EFT listing provided by the OGC is accurate and contains information for all provider types. The MAC should request the first EFT listing as soon as the transition activities begin and may want to request an updated listing from the OGC every two weeks thereafter to ensure all providers are accounted for and contacted prior to cutover. In addition, the listing should include the provider Tax ID number for accurate tracking of the group/group member EFT forms received.
98. It is the MAC's responsibility to release HPSA payments following the normal schedule rather than requesting the OGC to release the payments prior to cutover.
99. The MAC should ensure an adequate number of round trips are added to the HIGLAS ITT testing schedule. A small number of round trips to HIGLAS may not allow enough time if re-testing is needed. The plan should allow time for retesting (if needed) prior to the start of the cloning activities.
100. The dates of the cycles and inputs need to be considered to ensure the demand letters out of HIGLAS are dated correctly. The effort to manually correct the letters is labor intensive.
101. The MAC should include tasks on the project plan to provide the MAC with authorization and approval of temporary access to the old HIGLAS instance.
102. The MAC should ensure that HIGLAS accommodates two bank account numbers: one for the OGC and one for the incoming MAC, where appropriate. In addition, ensure that the appropriate bank account number(s) have been loaded into HIGLAS. When establishing a new bank account number and terming the old bank account number, do not overlay the old bank account number with the new one.

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

Both must remain on the file in order to process clears files. Ensure IBM understands that for the rename, bank account information needs to be set up as a new account, separate from the OGC close-out bank account.

103. When an OGC's Part A payment cycle is not performed on a daily basis, a decision needs to be made as to whether or not there will be a change to daily cycles. If changing to daily, provider notification should be done early in the process to alleviate the potential impact on the provider community. It is especially important that the MAC and the EDC determine the approach to the change early in the implementation and should take into consideration the frequency of the OGC's weekly payments (i.e., specific days of the week) in relation to the cutover schedule and when the first MAC payment will be issued. In addition, special consideration needs to be given on when the last financial cycle will be run to eliminate the need for the OGC to change their payment cycles prior to cutover.
104. After cutover, the MAC is responsible for notifying providers and beneficiaries of outstanding checks and the procedures for getting the stale dated checks reissued if requested.
105. For a Part A financial cycle change, the FSSFPINT VSAM file needs to be updated by the MAC. This task should be added to the cutover plan as a contractor/MAC task. Anytime there is a change in the financial cycle schedule, the flag needs to be evaluated. The flag indicates which day of the week the job would run.
106. The holiday/financial calendar should be addressed as part of the transition planning activity to avoid last minute updates to the cycle calendar schedule.
107. There is a two-step process to ensure that workload numbers are accepted in the POR system: 1) Contractor numbers must be changed in the POR system. 2) The POR system needs to recognize contractor staff under the correct contractor numbers.
108. The security access for loans agent and loans manager needs to be sent to IBM for additional set-ups that need to occur. This step needs to be included on the ITT mini plan, IPS checklist and cutover checklists.
109. It needs to be clear which entity is generating the financial reports. Identify early on what financial reports each contractor is expecting to receive and who will be generating the reports – i.e. EDC, IBM and contractor.
110. All supporting reports for the TROR and financial recon before and after a rename need to be run in detail, not only in the summary mode. The summary

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

reports work fine for the reconciliations; however, when there are differences later during the month to the baseline reports, the variances can only be found by looking at the detail reports.

111. TSC on-site support should occur when test cases are being worked. Recognizing it is difficult to time this on-site support due to unexpected delays one option may be to plan for TSC support to be on-site for day 2 of testing instead of day 1. This way if delays are discovered day 1, there is time for travel arrangements to be changed.
112. Validation of the Contractor Setup for the Bank vs. Contractor Holidays. When validating the fields on HIGLAS for the BR100 set-up, use the following in the determination:
 - Business Day field is unchecked for Federal Holidays (Bank Holiday) even if the Contractor is working that day.
 - When Contractor Holiday field has “Yes”, this means that HIGLAS outbounds are not processed.
 - When Contractor Holiday field has “No” or a Blank, this means that HIGLAS outbounds are processed.
113. The BR100 should be updated so that if there are fields that have pre-determined abbreviations being used by CMS/IBM, (i.e. the MAC name as JXXX instead of the company name) that the abbreviation logic be included. This way the document is only completed one time if possible.
114. It was an extremely cumbersome process for the OGC to get secure HIGLAS reports to the new MAC. Early on in process there was a decision made for the OGC to run reports needed by the new MAC in an effort to remove IBM from the process. However, this decision presented a challenge to the OGC and ultimately caused unnecessary delays during the IPS phase. The process was somewhat enhanced for cutover; however, still cumbersome. For future transitions, it was suggested that SecureZip be used to transfer reports between the OGC and the new MAC.
115. The MAC should ensure that the number of digits in the bank account number in HIGLAS and the shared system are in sync. When establishing a new bank account number from the BR100 document, the bank account number field length for Part B has a max of 17-digits, but it can be less as long as both HIGLAS and the shared system are in sync. If they are not in sync, then the payments will error.
116. When changing from a weekly payer to a daily payer, the MAC should run a final FISS financial cycle on the last day of the month to capture all monthly financial

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

data from the old regions. The PINT file should be set with a 'Y' on the same day of the week that the cycle is run and the 'delay days' should be set to '0'.

117. The incoming and outgoing contractors should have discussions early on regarding the transfer of debt (i.e., disposition and method of transfer) as well as the records/files/images necessary to validate the debts.
118. When requesting the listing of transitioning EFT providers from an outgoing contractor, the MAC should confirm that the listing includes only those providers in the transitioning workloads and/or contract number since there could be some providers (e.g. FQHC) within those states that are remaining with the legacy contractor.
119. In order to avoid delays in the validation process, IBM should ensure that the 1099 jobs are not scheduled to take place during the PRD1 back-up process since these jobs are disabled during that time.
120. Financial integrity reports that are run before and after split/rename activities should be run with 'as of' dates equivalent to the end of the month to ensure all future dated activities are accounted for in the reconciliation process. If month end dates are not used, some transactions will cause an out of balance.
121. If the workloads within one HIGLAS org are handled by more than one EDC, the MAC, Outgoing Contractor, and HIGLAS must work together to ensure that the EDC not directly involved with the transition, is informed early in the process so that cycle times for all workloads can be synchronized and any pay forward and/or dark day activity that may be needed for the non-transitioning workload(s) can be coordinated.
122. If bank changes are necessary in Part B HIGLAS implementations, additional SPITABs need to be loaded into the MAC's environment in order to allow outstanding checks to clear after cutover. A task should be included on the HIGLAS cutover checklist for the validation of the new banking table SPITABs.

Resources/Infrastructure

123. The MAC should allow ample time for the complete installation of T1 line(s) taking into consideration that the installation involves working with multiple vendors such as local phone company, AT&T, etc.

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

Systems/EDI

124. The MAC should confirm with CWF the number of workloads in each CICS region and ensure that the MAC workload numbers to be used are clearly identified. If there is more than one workload, CWF needs to account for that.
125. In any MAC implementation where the split/merge software is used to set up a new Part B CICS region, the effective date of the cutover needs to be a Saturday date. This will give the CWF maintainer ample time to perform the necessary tasks over the weekend in order for cycles to run on Saturday and Sunday if necessary.
126. There is a limit to the number of BSIs that can be tied to one contractor number. FISS currently allows up to six. Previously, CMS made the decision to utilize only one BSI for the RHHI workload. However, this may need to be readdressed for future RHHI implementations since FISS base system changes would need to be made to allow more than six.
127. Although the ELGS file contains the contractor number, this file is not converted during the FISS MAC conversion process. To accommodate this, a program was created to update the contractor number for each workload. CMS must approve running this file each time since it involves overwriting a base file. After running this job, the 'Date Created' and 'Last Updated' fields will contain incorrect dates; however, those dates do not impact processing.
128. The MAC, OGC, and the EDC need to work closely together regarding changes that impact DDE providers. When establishing a new region, it is imperative that the removal and addition of the application are coordinated through the EDC to ensure that there are no negative impacts to providers attempting to access the existing region.
129. When a Part B workload is being split from the OGC's current workload, the MAC should begin early discussions on the end of life process with the OGC, EDC and MCS maintainer. They must work together to determine how the payment floor drop will occur, the number of dark days needed, how financial reporting will occur and whether EMC processing will occur up through the day before cutover or whether EMC should be held for several days and processed in the first MAC cycle.
130. When using the Part B MCS split-merge software to split workloads between the MAC and the OGC, there should be enough time allotted within the segment cutover to allow for a UAT build and testing and a production simulation.

Exhibit 10
Workload Transition Lessons Learned – January 2012 (Cont.)

131. The MAC should ensure that the bank is prepared for sending and receiving files for the new merged region by testing and confirming that they have the correct account information, bank file formats, file locations and data set names.
132. If an implementation occurs on a non-quarter-end date, the MAC should work with the OGC and the EDC to determine whether a quarterly cycle needs to run as part of the close-out cycle. Analysis needs to be performed by the MAC and OGC to determine which reports are needed and the EDC needs to determine what changes or updates are needed in order to accomplish this.
133. The MAC should test processes related to encryption software as early as possible with the OGC to ensure the versions are compatible.
134. Requests for access to the OGC's systems need to go through the OGC and should not be sent directly to the EDC.
135. To ensure a smooth transition of a split workload, the MAC should coordinate with the OGC and current data center(s) to obtain system access in both environments.
136. For split workloads, the MAC should have measures in place to prevent submitters from sending claims for those workload types that the OGC retains (i.e. Home Health). It would be beneficial for the MAC to add a task to the cutover plan to remove the appropriate submitter IDs from the Operator Control File for DDE submitters.
137. Before copying files, the EDC should ensure all release conversions are in place for those files being copied.
138. The FISS maintainer should ensure that all GINS are fully addressed and that any long-term solutions are determined before the GINS are closed.
139. In situations where history files are not in the current FISS file formats, the EDC should ensure that the OGC's data center understands the requirement to convert all data to current FISS formats prior to transferring the data to the EDC.
140. The FISS maintainer should develop and submit written documentation when they distribute utilities and releases. There were questions that could have been avoided had there been written documentation for the split exception files.
141. The discussion of handling exception files should occur with each implementation where the FISS split/merge software is utilized. This includes merges only since merges also require that the split jobs be run. CMS has suggested that at each

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

applicable kickoff meeting, a topic be added to the agenda to discuss handling of exception files and further suggested that a separate meeting be scheduled to discuss exception files similar to meetings to discuss interfaces. When the determinations on how to handle these are made, the MAC and OGC should consult with the FISS maintainer to confirm appropriateness. Once a final decision is reached, the MAC and OGC should work with the EDC to get these records converted to the correct contractor number and reloaded.

142. For split workloads, decisions regarding special processing need to be made early in the process and tested during production simulation in order to avoid problems and/or delays during production cutover.
143. To avoid an out-of-sync situation, the weekly maintenance utility (DCNS rebuild process) should be run to sync the files prior to running the split jobs. This will ensure that the numbers on the SNAP report can be validated.
144. The MAC should consider running daily payment cycles for user acceptance testing (UAT) for any segments that are on a weekly production payment cycle. This will provide timely turnaround for financial testing.
145. The requirements for the hand-off of the payments between the OGC and the MAC should be clearly defined in advance of the MAC implementation for daily and weekly payment cycles.
146. The MAC should verify whether or not the OGC uses a conversion program or other contractor-specific bank interface.
147. The MAC must identify their site-specific needs in advance of the MAC implementation start date and determine who will be responsible for implementing and maintaining the site-specific software.
148. The MAC must develop their implementation schedule with enough time built in to identify and address their site-specific requests so that all requirements can be developed, installed and tested before cutover.
149. When splitting workload, contractors need to identify and account for all providers, including active and terminated, so that the appropriate active and archived history records get transferred and are removed from the retained workload.
150. The MAC should develop a master list of all interfaces and a unique template for documenting each interface. The template should include the interface requirements, file names and a single point of contact from each contractor.

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

Templates should only be completed for those interfaces that are being changed or added to the existing environment. This should be done as early as possible to ensure effective use of technical resources and allow adequate time for testing.

151. The MAC should put a process in place in order to verify that all appropriate staff members have access to CAFM, CROWD, PECOS, etc. under the new contractor numbers. CMS is unable to provide written notifications to the MAC when security requests are completed.
152. It is recommended that the MAC maintains separate interface requirement documents for Part A and Part B processing for each impacted data center.
153. The MAC should provide project stakeholders with their overall plans for completing testing, including the basics of who, what, when, where (which environments, and with which external entities), etc. The roles and responsibilities for testing should be clearly defined and communicated to all involved parties. Issues should be elevated where an OGC requires assistance from the MAC to complete testing.
154. The SSM and the EDC should define and implement controls to ensure security updates occur in the appropriate region and files are loaded to the appropriate region.
155. A final verification of the list of copy jobs should be performed to ensure that everything that needs to get into a particular region is listed.
156. The MAC and EDC need to mutually agree upon the specific files, jobs, or reports that the MAC expects the EDC to run or validate.
157. The MAC should work closely with the SSM to ensure all necessary steps for SPITAB copies and updates are clearly defined. In addition, controls need to be put into place to prevent SPITAB file data from getting overlaid or inappropriately loaded.
158. The EDC should ensure that procedures are in place to prohibit the incoming MAC from overlaying any production files prior to cutover (i.e. production SPITABs).
159. The MAC needs to ensure all SPITAB tables are updated based on the specifics of the transition and they should validate those changes during UAT and production simulation. In a previous implementation, the MAC wasn't able to view their bank file online post cutover due to the incorrect Bank Account ID on a SPITAB table which limited their ability to complete their validation.

Exhibit 10
Workload Transition Lessons Learned – January 2012 (Cont.)

160. The MAC should thoroughly verify the Criteria file, C series reports, SPITAB tables, etc., to avoid last minute changes. The MCS maintainer can develop a list to provide to the MAC on problematic areas to review based on their experience from previous transitions.
161. The MAC needs to research the values for locations, edits/audits, etc. that they are inheriting from the outgoing carrier to determine what they want to change. This needs to be done early in the transition so these crosswalks can be tested and validated during UAT and production simulation.
162. Issues discovered during testing should be communicated as soon as they are identified. This should allow the EDC time to resolve the issues prior to production cutover.
163. While transferring data from one data center to another, the parties involved should allow for flexibility in scheduling checkout as it may be difficult to predict when the system will be available.
164. Any unique processes related to multi-state processing need to be identified and the conversion software needs to account for this as well.
165. The EDC needs to run the appropriate conversion jobs to change the contractor number within the check cross reference file.
166. The EDC must ensure that the required job scheduling is made so that the 835 file from HIGLAS is included within the batch cycle and payments are made appropriately.
167. In order to avoid possible delays, the EDC should verify that the scheduling request is complete in enough time to convert the cycle from manual to automatic.
168. The MAC should validate that appropriate staff have test and production access to CA-View for each segment cutover.
169. The MAC should develop plans to ensure that edit/audit coding updates and testing associated with LCD consolidation are complete prior to cutover.
170. For multi-state workloads running in a single CICS region, FISS will only accept rollup number as input from EDI submitters. There is software to split files and separate by state contractor numbers in FISS, however, the MAC needs to confirm with the FISS Maintainer that all interfaces are covered to ensure that Part A state breakouts will be addressed by the FISS system.

Exhibit 10
Workload Transition Lessons Learned – January 2012 (Cont.)

171. The MAC, the SSM and EDC need to work together closely to ensure that all of the proper steps are identified for the closeout cycle to ensure that 1099 files are properly generated for the OGC.
172. The MAC should ensure that the Criteria file regions match the OGC's Criteria file regions to avoid an out-of-balance between the OGC's outgoing workload volume and the MAC's incoming workload volume.
173. Once dark days and cycle schedules are finalized, the MAC should hold a walkthrough call with the CWF host and the EDC to ensure all details and timings are agreed upon during the cutover weekend. The host generally receives instructions from CMS through the maintainer. These instructions do not contain specific details (such as dark days) to properly plan for the cutover weekend and timings related to changing the contractor numbers.
174. For the MAC implementation with a simultaneous EDC transition, the encryption waiver only applies during production simulation and cutover. If there is a situation where data would need to be transferred during a MAC transition production simulation or cutover, the encryption waiver would also apply. The encryption waiver would not apply to the transfer of files from the OGC to the MAC to support daily operations, such as the transfer of imaged files or print files. The purpose of the waiver is to handle situations where there is insufficient time (i.e. hours rather than days or weeks) to do the encryption. However, this data will be transferred via NDM, which is an approved, secure communication protocol. The encryption requirement applies regardless of the data media type, format, channel, etc. All data containing PHI, PII, etc. that leaves the physical data center building must be encrypted.
175. The MAC should ensure that the Operator Control File/ DDE logons transferred at cutover have a match on the RACF report. In addition, the MAC may need to communicate with providers to ensure logon IDs transferred at cutover are established in accordance with CMS instructions and are unique to an individual.
176. To ensure external DDE users have timely access, the MAC should submit security requests for all users as soon as possible. Early testing by external users can be helpful in assessing if there is an access issue.
177. In order to eliminate confusion for those providers that do not submit claims directly to the MAC, the MAC may want to consider developing EDI communication based on the multiple types of recipients (i.e., trading partners, vendors, and providers).

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

178. Early discussion between the MAC and EDC should occur to determine base setup for UAT and CA-View. For example, the EDC should discuss plans with the MAC prior to setting up CA-View to ensure there isn't coding being done that will need to be removed.
179. To ensure that key MAC personnel have system accesses that they need to perform analysis and/or maintenance, MAC project plans should include a task to establish security authorization by transferring the existing staff RACF group to the new MAC RACF group or by loading RACF groups based on mass user request spreadsheet submitted by MAC
180. Early set-up and testing is recommended when setting up MCSDT for a new site. There have been problems with prior implementations where the MAC was unable to set up MCSDT in their current environment.
181. The EDC should confirm that the base system and contractor conversion releases are in sync. If they are not in sync, this can cause files to not be properly converted by the CCP process.
182. During cutover planning, the MAC should discuss with the EDC the possible need for increasing the CWF recycling factor to reduce the risk of duplicate claims posting in CWF after cutover.
183. In order to minimize manual work effort, the MAC may want to consider copying their end of year maintenance performed in the OGC's Title XVIII UAT region into the new MAC UAT region. CMS should be consulted for approval to do this.
184. The MAC needs to be aware that only NPI connectivity can be tested prior to cutover.
185. Remittance testing should be performed early to ensure submitter configuration. In addition, HPTP testing should be done early.
186. Ensure the MAC contractor data center has file triggers in place before first cycles of UAT, production simulation, and production cutover.
187. The MAC or the EDC should schedule and conduct daily meetings during UAT to review the status of tasks on the UAT cutover schedule.
188. To avoid any unexpected delays and unnecessary research, all jobs identified in the MCS MAC CCP process document need to be executed during UAT, prod sim and cutover, unless otherwise noted in the document.

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

189. To ensure a large number of historic system reports are not being transferred unnecessarily, the MAC and OGC should perform analysis to identify required reports/data needed. This process may minimize the volume of required NDM transmissions.
190. To ensure a successful transition, ample time will need to be given for the MAC and MCS Maintainer to complete their verification during all testing phases (dry runs, UAT and production simulation) and cutover. As a level set, some MACs have taken 1-2 days to validate their UAT and production simulation, MCS extracts and/or conversions before giving the go-ahead to proceed.
191. The MCS National Abstract File Requirements document needs to be reviewed and understood by the MAC and EDC to ensure all steps are followed based on the specifics of the transition. In addition, tasks for the ‘buddy’ file should be added to the plans.
192. During UAT and production simulation, the MAC/legacy carrier needs to review/validate all the duplicate reports to address whether a crosswalk is needed or if the record can be manually deleted or corrected prior to cutover.
193. In a previous implementation, a problem occurred post-cutover regarding electronic remittance advices that needed to be sent back to the OGC because their corporate EDI area continued to provide EDI clearinghouse services. If the OGC will continue to provide clearinghouse services, a thorough review of remittance set-ups within the FISS financial master file should be done to uncover any anomalies.
194. The EDC will need to address the current emulators that are allowed into the data center by all third party networks that support provider DDE access.
195. The MAC had difficulty in getting FISS and the EDC to provide various report IDs prior to cutover. Since the MAC process did not use MEDATRAN the claims take a different flow and therefore different reports are used to track data. Implementing a questionnaire on the front end would avoid these issues in future transitions.
196. Utilizing existing UAT environments to test the crosswalk-HIGLAS job renumbering changes and HIGLAS transmissions is very advantageous. It allows testing to occur in an already established, stable environment with minimal changes.
197. For ITT, if a new FISS testing region is created, tasks should be included in the mini plan to cover the copying of the operator control file and to specify when and

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

where the copying will occur. If the operator control file is not copied for the new MAC, then only the old org staff will be able to access the region for testing.

198. For ITT, if a new FISS testing region is created, both the new MAC and the old org need to be aware of the high level qualifier established at the EDC in order to set up the sweeps process. Without the high level qualifier, the sweeps process cannot be established.
199. For ITT, if a new FISS testing region is created, discussions need to be held right away on what parties are to gain access to what environments.
200. When Part B system tables are modified, the MAC should work with the MCS maintainer to incorporate a quality review of SPITABs, DATAINs, PARMs, etc.
201. The EDC and the MCS maintainer should perform a quality review to confirm setup of the maintainer's access to the temporary environment.
202. The EDC should consult the MCS maintainer when establishing the timeframes for running the second UAT. The first UAT should allow sufficient time for the MCS maintainer to review UAT data so that the jobs will not have to be re-run.
203. The contractor should review the Part B DC10 reports after each UAT and prod sim initialization cycle to ensure there are no issues with activations or location transfers. In addition, the contractor should continue to review these reports daily during UAT and prod sim to ensure there are no issues for activations, location moves or location transfers, while testing is occurring.
204. The ECRS helpdesk is operational from 8:00 a.m. to 8:00 p.m. (EST), excluding weekends and holidays. The number is (646) 458-6740. Questions or issues should be forwarded to the COBC using the email address ECRSHELP@ehmedicare.com.
205. The EMC roll up number is only used for FISS processing and not used outside of FISS. No changes are needed in the submission of EMC claims or 837 transactions.
206. MEDATRAN contains logic that checks for duplicate claim submissions. Therefore claims that have already been run through MEDATRAN cannot successfully be run through again without intervention.
207. Security access and TPX menu changes should be requested and validated in advance of the date of when they are needed.

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

208. In Part A implementations that involve multiple regions with multiple workloads and separate state contract numbers, discussions should occur early in the implementation between the stakeholders (e.g., MAC, FISS, CMS, etc.) on whether these workloads can be sent to the same CWF host, if one will need to be sent to an out of service area host site, or if a new site will be created.
209. The MAC, EDC and SSM should discuss pending software fixes awaiting implementation prior to cutover to ensure any workarounds can be added to the cutover plan.
210. If an implementation begins after the annual pricing update, ensure Fee Screen Years files are rolled into both UAT and Prod regions. Verify this by comparing the record counts on the MPFSDB, AMB and Abstract History Files. UAT and PROD should match.
211. The process to update a PCF file daily is part of the MCS base system; however, the MAC must obtain approval from CMS for the non-base job that creates a daily copy of the file for the EDC to send to MCS.
212. The OGC should complete a balancing report to ensure that all of the submitter IDs are included on the files prior to them sending it to the EDC to set up RACF security for DDE access in the new MAC region. Reconciliation of the report to the actual record count on the file would identify potential issues.
213. For HIGLAS testing, tasks should be added to the plan to include loading the base release to the SPITAB region so that the MCS production simulation environment is compatible with the IBM UAT region. This will also prevent abends from occurring.
214. In order to avoid connectivity issues which could result in system outages, the Part A work instructions and cutover checklist should include a task to check the HIMRHOST CWF connections within the CICS region prior to cutover.
215. To resolve discrepancies that occur after cutover involving the pending inventory on the 2592 report vs. MCS, the MAC can request that the SSM manually run the RC25 job which removes incorrect ICNs/CCNs from the 2592 file. Even though the MAC software rejects these ICNs/CCNs during conversion, they remain on the 2592 file. There are two causes for this discrepancy:
- The MAC software automatically deletes any pending claims or correspondence that is more than 3 years old since they should not be brought in as new-day inventory and;
 - Correspondence that is in a pending activation location has to be rejected because it cannot be brought in as new-day inventory.

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

The RC25 uses a DATAIN populated with the ICNs/CCNs to remove them. HP is currently researching a potential solution that will allow the MAC software to automatically run this RC25 process as part of the MAC transition.

216. In MCS, no-pay checks remain on the BANKHIST file until they meet the SPITAB purged days and are subsequently purged. Therefore, the checks will remain a 00 status and cannot be changed to a 02 (outstanding) status until they are purged from the online file after a month.
217. MACs should use a TSO utility to copy DATAIN members from the Dry Run, UAT, and production simulation environments to ensure the configuration of DATAIN members are consistent between environments.
218. When using an outgoing contractor's file(s), such as the reason code file, the MAC and OGC must establish protocols to determine how the files will be kept in sync from the time that they are copied until production cutover.
219. The MAC should ensure the security settings are set to match the outgoing contractor's previous settings. In a previous implementation, there was an issue with the default value set in the security file that prevented providers from being able to obtain eligibility information using the "ELGH" online transaction.
220. The MAC should ensure that all SPITABs are setup to run as the appropriate state number in the test, production simulation and production environments to avoid an incorrect state code that would prevent the MAC from receiving the appropriate financial and print output in the prod simulation region.
221. The MAC needs to identify and confirm with EDI vendors any recent or upcoming changes that need to be communicated to the impacted providers in advance of the production cutover (e.g., login screen changes, etc.).

Cutover/Workload Transfer

222. The MAC should review the *A/B MAC Cutover and Workload Transfer Planning Document* at the start of the cutover planning process.
223. A cutover simulation should be conducted prior to cutover to ensure that all NDM jobs are identified and all associated programming changes are completed at the time of cutover. Conducting a cutover simulation, may detect and correct problems that could be encountered during implementation (e.g. bank file issues, check printing issue, 835 generation, HPTP, etc).

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

224. The use of buffalo drives and secure FTP to transfer electronic data may be a viable solution depending upon the scale of data transition. It also eliminates the need for encryption software.
225. Special considerations, such as short term MOUs, around the transfer of pending workload and historic records need to be made early in the process when there are situations where the workload and historic records are commingled.
226. The Business Partner Systems Security Manual was revised and the transfer of electronic data via email is now allowed as long as it is properly encrypted (refer to Section 5.0 at <http://www.cms.hhs.gov/transmittals/downloads/R9SS.pdf>). The revised section states (in part) "business partners may now use the Internet to transmit sensitive information via encrypted attachments in accordance with all applicable CSRs".
227. Weekends are the best time to conduct cutover simulations. The implementation project plans should include two cutover simulations. The second simulation can be optional if no problems are discovered during the first simulation. Both simulations should occur early enough to allow time to resolve problems prior to cutover. Cutover simulations should occur in test regions that best reflect the production regions.
228. When no cutover simulation is being conducted, it is recommended that thorough end-to-end testing be completed to ensure that all NDM jobs are identified and all associated programming changes and triggers are in place and completed at the time of cutover. Conducting end-to-end testing may detect and correct problems that could be encountered during implementation (e.g. bank file issues, check printing issues, 835 generation etc.). End-to-end testing is critical for EDI transactions.
229. The MAC should ensure that files are received and processed properly through HPTP or the PCF, into FISS or MCS and ERAs/RAs are produced and distributed. This testing should occur early enough to allow time to resolve any problems that could be encountered.
230. All project stakeholders should begin cutover planning at the start of the implementation. As the owner of the cutover plan, the MAC must initiate the planning process and involve all stakeholders in meetings to review requirements and provide input to their assigned tasks. The OGC should identify all areas where additional site specific support may be required.
231. When scheduling daily cutover calls, differences in time zones should be accounted for. In addition, the calls should be scheduled at a time that gives staff

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

ample time to complete tasks prior to the call. Notifications of the daily cutover calls should be sent several days in advance of the first call to ensure that everyone is notified and prepared to attend.

232. An updated cutover plan should be issued several days in advance of the first daily meeting with clear instructions to all stakeholders that they should be prepared to report on all tasks scheduled to be completed prior to the first daily call. Additionally, the cutover plan should be updated after each call and distributed promptly so everyone has the opportunity to review it before the next call.
233. A cutover issues/action item list should be developed. The issues/action items list should be updated after each call and distributed promptly.
234. Issue escalation procedures and contact information for the cutover should be created and distributed in advance of the cutover weekend.
235. Each task on the cutover plan should list an assigned individual's name. The individuals assigned to tasks need to clearly understand what is expected of them and how to carry the tasks out.
236. The EDC tasks related to production cutover should be clearly defined and laid out in the cutover plan at the time the plan is developed. The plan should include the EDC tasks for the entire length of the cutover period. If there are specific files, jobs or reports that the MAC expects the EDC to verify on a daily basis, they should be detailed on the plan. In addition, the EDC needs to ensure that all tasks on their template are identified on the MAC's production cutover plan.
237. Prior to cutover, the MAC should compile baseline statistics for incoming documents, claims processed, payments issued (hardcopy and electronic) so that they can easily validate that the appropriate volumes are being received and generated out of the first cycles following cutover (e.g. paper remittances, hard copy checks issued, EFT payments issued, claims received, etc.) This could prevent unnecessary research and trouble-shooting efforts.
238. The MAC should plan to complete validation and testing as early as possible during cutover weekend in order to take maximum advantage of time to fix and retest problems that may arise.
239. The standard system maintainer should have a representative on-call to assist with questions or issues during the cutover weekend.
240. EDC and MAC security staff should be available for quick resolution of security issues during cutover weekend.

Exhibit 10
Workload Transition Lessons Learned – January 2012 (Cont.)

241. The MAC should provide thorough and timely status updates via email and/or by hotline number during both the cutover weekend and a few days beyond.
242. It is the OGC's responsibility to ensure that boxes containing data to be transferred to the MAC are in suitable condition for shipment.
243. The OGC should have a representative available during the cutover weekend and for several days following the cutover. This representative should either participate in the cutover calls or be on-call for to assist with questions.
244. For any accelerated implementation schedule, the cutover planning process should begin immediately.
245. The MAC should establish a process to fully test the receipt of imaged files for each work type so they can thoroughly prepare for what will be received. Sample files should be large enough to cover a good cross section of the workload.
246. When applicable, the MAC should encourage the OGC to begin the copying of image files for completed work well in advance of the cutover period. The OGC should not underestimate the level of effort and resources needed to complete this task. The OGC should confirm that it can transfer the image files for pending work as soon as possible following cutover.
247. The MAC should contact the peripheral system maintainers (NGD, NPI, CERT, CWF, PECOS, COBC, etc.) early in the week preceding the cutover date to ensure they will be ready for day one. With each implementation there are new questions and issues that could have been identified and resolved sooner or even prevented had there been more frequent communication/coordination between the MAC and the entities responsible for the interfaces/peripheral systems.
248. The MAC should confirm HIMR availability during cutover weekend so that testing can be completed as scheduled.
249. The COBC has a form that must be completed in order for GHI to make the COBC file changes from the OGC to the new MAC. This form must be completed early enough to allow time for the changes to be made.
250. If the MAC and the OGC are sharing the UAT region up to cutover, the MAC should work with the OGC well in advance of the cutover to determine the date the MAC will be granted access to the test region and to establish clear roles and responsibilities for operating in a shared test region.

Exhibit 10
Workload Transition Lessons Learned – January 2012 (Cont.)

251. The MAC should work with the IVR vendor to make changes as soon as possible. The IVR should be thoroughly tested and validated during the cutover weekend.
252. For a multi-state MAC workload, the contractor conversion process needs to run prior to bringing in the NPI files from Maricom. Otherwise, the system will default to a single state combining the workload to the same default contractor ID number.
253. During several MAC implementations, certain records were not systematically moved to the new contractor number. To ensure this does not reoccur, the MAC needs to ensure that the NPI crosswalk maintainer, Maricom, will systematically crosswalk the NPI forced matches so that no records are dropped.
254. During the first 6 months following the cutover, the MAC must have the capability of receiving two bank clears files per cycle (one from the OGC and one from the MAC). A procedure needs to be established between the MAC and the OGC and coordinated through the EDC.
255. CMS released clarification regarding the process for handling misdirected checks post cutover. Those contractors remaining in the program are to follow the IOM instructions to continue cashing any misdirected checks and issue a new check to the MAC.
256. The OGC needs to examine the cutover plan in detail so that any concerns or questions related to tasks, dates, etc. can be identified and clarified prior to the actual cutover period.
257. The MAC and OGC should discuss the file and record transfer plan early in the cutover process to allow the OGC ample time to seek clarification and prepare files according to the MAC's instructions. In addition, The MAC and OGC should determine the methods and media for electronic data transfer early in the process and learn what is acceptable to CMS.
258. The MAC should request a detailed list of the records (electronic and paper) that the OGC intends to transfer to the MAC as early as possible. This will help the MAC understand what to expect and the magnitude of the transfer.
259. The MAC should establish a labeling and numbering protocol for the boxes containing paper files to aid in efficient file transfer.
260. Following cutover, the EDC should verify that all applicable NDMs are turned off for the OGC. This will prevent the situation where duplicate files were NDM'd to the MAC and to the OGC post cutover from occurring.

Exhibit 10
Workload Transition Lessons Learned – January 2012 (Cont.)

261. The EDC should verify the appropriate generations of the data sets are transmitted to the MAC in order to prevent situations like incorrect contractor and submitter numbers on the ERAs.
262. The MAC should ensure that OGC system access is removed after the cutover and that provider access for DDE remains in-tact.
263. The MAC should ensure that reports are viewable in CA-View and contain complete data on day one in order to resolve any issues without impacting production and reporting.
264. The MAC should ensure all entities, (i.e., the EDC, HIGLAS and System Maintainers) understand that the cutover planning must start early and that each entity is responsible for providing input. They must work together to ensure all aspects of the cutover simulation plans align as appropriate. This process should begin as early as possible after the segment kickoff.
265. The PECOS contractor number changes need to be made following the last EDC batch cycle under the old contractor number but before the next files are created in PECOS.
266. Some records within the COB file contained the old OGC contractor number and resulted in rejection of the file from the COBC. The EDC provided a temporary fix to ensure files are sent with the correct new contractor number. FISS is working on a solution to prevent this from happening in future MAC implementations.
267. During post cutover calls, the MAC should be prepared to provide counts for total EMC received and rejected along with the top 5 reasons for rejection.
268. For implementations that involve a split workload, CWF should be informed by CMS to send the dropped OSA responses to both regions (MAC and OGC). If CWF is not informed of this, the file will be sent only to the MAC region since this is the default for the old OGC contractor number. In addition, the MAC needs to notify CMS when to submit the request to CWF.
269. The incoming MAC needs to understand that PIP claims do not get picked up on the post rename 835 file. Therefore, a task should be added to the HIGLAS checklist for IBM to provide a list of the No Pay (PIP) claims that are not yet sent back on the 835 interface file.
270. BR100 validation process must be clearly defined to avoid confusion regarding necessary steps/order of events. In a previous implementation, the checklist tasks related to sending of HIGLAS conversion reports did not specify method of

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

delivery. This caused unnecessary confusion to OGC/MAC in regard to how reports were to be received. Specific information should be incorporated directly into checklist regarding method of transmission (i.e., email, NDM to datasets, etc.).

271. Discussions need to be held early on for the timing of any shared system releases that may impact the transition, so that all parties are aware.
272. The cutover check-list needs to be comprehensive and should be updated for tasks that are identified even late in the process to ensure that all parties concerned are aware of the responsibilities.
273. In a prior implementation, the 1099 report was unable to be run during cutover weekend which delayed the completion of the renaming. At that time, IBM determined that there was a rule defined, back in 2006, prohibiting the 1099 request sets from being run between 3pm Saturday to 7am Sunday. In 2011, IBM revisited this and confirmed that the 1099 report can be run on a weekend.
274. For HIGLAS workloads where outstanding checks are being converted, the 1099 report must be run before split/merge activities begin.
275. The MCS Data Prep CONVRJMK job needed some changes to reduce the OGC's review effort. It was discovered that the only items reported as getting updated in MCS were all stale dates, created by HIGLAS. This is due to the timing of this process. MCS has plans to update the CONVRJMK job to include the Bank History File when determining if checks exist on the MCS bank files. This should be confirmed with MCS.
276. The OGC should be involved in the ITT process even in cases where just a rename is occurring.
277. The responsible party for generating lists of beneficiaries and providers in the HIGLAS old org should not be changed between ITT and IPS phases. In one case, IBM ran reports in ITT, but the OGC was required to run reports during IPS due to the set up on the EDC's side which required the format of the report be different than the format that was provided by IBM during ITT. It was later decided to assign these tasks to IBM since the OGC did not have the criteria needed to run these queries and required assistance from TSC/IBM. For future transitions, IBM should be responsible for running listings of all beneficiaries and providers in the old organization.
278. Establishing the clone dates for both HIGLAS and the EDC needs to be done early. If the clone dates are not determined early and outlined correctly in the

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

project plan, it can cause delays and miscommunication between the various parties involved.

279. All parties must agree on the timing of the last workload split to ensure the production cutover checklist reflects the agreed upon time.
280. For HIGLAS workloads, the HIGLAS cutover check list should include information regarding the EDC IPL if it is scheduled the weekend of production simulation or cutover.
281. When there is a workload split, there may be instances where the MAC obtaining the new HIGLAS org may still need the historical data that is retained only in the existing org. Prior to requesting access through the CMS EUA system, approval from the contractor responsible for the org should be obtained, so they are aware of any staff that will have access to the data and what accesses they will have.
282. Early in the transition, the MAC needs information regarding how the OGC is using the provider option and AR codes. This information should be compared with the new MAC set-up since differences in option codes/AR codes have the potential to cause payment issues. In addition, analysis needs to occur to allow sufficient time for the MAC to perform maintenance and/or the EDC to systematically update the system prior to cutover. Not converting the data prior to cutover may result in provider under/overpayments when there is a difference in the payment amounts (e.g., par provider versus non-par provider).
283. All file problems during the conversion process need to be handled on a priority basis. The EDC should not assume file problems have no impact without discussing with the MAC.
284. Time estimates on the cutover plan should be developed using month end cycles rather than daily cycles. In addition, the EDC needs to coordinate with the base production support team to determine the time required and incorporate this into the plan.
285. The MAC may want to consider incorporating the tracking of any outstanding deliverables at the time of cutover into the Cutover Plan enabling them to use one document for tracking.
286. The MAC will need to complete CMS access requests for each segment prior to the cutover. The CMS JIL will need to provide the MAC with the appropriate forms.

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

287. The MAC should ensure all stakeholders are aware of the specific reference files that are being copied into the new region by identifying them within the cutover plan and group them logically by subsystem (i.e. pricing files). This can be done within the Comments section of the plan. In addition, testing should be performed to validate that file copies occurred as expected.
288. The EDC should ensure that the month end applications do not run for HIGLAS or mid-month transitions. In addition, the EDC may want to consider a verification process whereby a file would not be overlaid without first verifying.
289. During a previous implementation, the COBC file was not available for the first production cycle. Consequently, the EDC was unclear on whether or not to proceed with the first cycle. GHI/CMS should notify the EDC if the files will be late or not provided at all.
290. The MAC should advise the EDC Production Support team of what files to expect after the first cycle. This helps production support with their verification activities. The EDC should update the cutover plan to ask the MAC to provide a list of files they will send the 2 days following the first production cycle.
291. In a previous implementation, the MAC requested some electronic images from the outgoing contractor late. This did not allow the MAC sufficient time to decrypt the files and make them available to the operational units. The MAC should request all necessary electronic images in advance to allow sufficient time for decrypting.
292. For Part B split workloads, the MAC, OGC, and the EDC need to review and follow the MCS End of Life document so that no required jobs in the process will be omitted.
293. In a previous implementation, the number and source for Part B Reference File copies changed during each UAT, production simulation and at cutover. A Reference File copy issue delayed the initialization cycle. To ensure the correct reference file copy is applied for production cutover, the following should be performed:
 - a. Ensure that the final production simulation Reference Files match what will be used at production cutover.
 - b. Review all Reference File copy requests including number and source with the maintainer prior to installation.
 - c. Bring up on-lines early in the process for contractor review of reference files.

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

294. During a previous cutover, the EDC inadvertently overlaid the correct reference files with incorrect files. This wasn't identified until the first MCS initialization cycle was well underway. The maintainer spent time researching, identifying the issue and collaborating with the stakeholders to determine the recovery approach.

No changes should be made to the transition jobs after the last production simulation and prior to cutover without the MCS Maintainer being aware and involved in the process. Had the MCS maintainer been aware of this change, the resulting cycle abend and rerun may have been avoided or at least the root cause identified earlier.

295. It is recommended that when running the initialization cycle for a Part B workload split, the EDC should load the NDM jobs and put them on hold to be released after the contractor reviews and approves them.

296. When the contractor number is being changed as part of the Part B split/merge process, the year-end 1099 jobs must be executed in the OGC environment(s). Because the year-end 1099 jobs are run, the quarterly/monthly 1099 split/merge process should not be run. The MCS maintainer's documentation has been updated to ensure that only one job is needed and a reference has been placed on the flow charts.

297. A work scheduler issue at the EDC resulted in VSAM and sequential Criteria files running out of synch causing an incorrect Criteria file to be brought in during the initialization cycle. The EDC should modify the initialization cycle scheduling processes to prevent this from recurring. The MCS maintainer will update the first cycle checkout document to ensure DC05 has run before releasing DA20 from user hold and update the install jobs process to not copy the batch versions of the CRIT file. An INFOMAN problem was created and is scheduled for the R20104AM MAC release.

298. To prevent inaccuracies in the weekly EDC maintained NPI job that merges the states from the NPI contractor into MCS, the EDC will modify the JCL build to automate the process for handling multiple contract numbers. They will also add a task to the Environment Build Checklist to add a Contract Number Scan and Verify.

299. At cutover, the MAC should ensure that the shared system maintainer sends files to the EDC so that jobs are run to transfer deactivated providers to the new contractor number. This needs to be done in case the deactivated provider bills for services prior to the deactivation or needs a claim adjustment, as well as for the handling and finalizing of cost reports.

Exhibit 10

Workload Transition Lessons Learned – January 2012 (Cont.)

300. The MAC and EDC should take into account any jobs (i.e., mass adjustments or reprocessing from a CMS directive) that are running during IPS or production cutover that may impact system run times. Since these jobs use CPU space that is needed for the MAC programs and reports, a decision should be made to put these jobs on hold until after cutover.
301. Contact and communications to set up new off-site storage facility accounts should be done at the onset of file transfer workgroup activity.
302. In HIGLAS implementations where there are multiple workloads in different time zones, the MAC should work closely with the OGC and EDC(s) to coordinate cycle start times, including when, and if, the on-lines are brought down, for both the transitioning and non-transitioning workloads.
303. For HIGLAS workloads, the cycle schedules for both HIGLAS and the standard system should be discussed on the same call so that the appropriate subject matter experts (SMEs) have an opportunity to provide feedback to the group when key decisions are being made.
304. The MAC should ensure that all tasks related to NPI file processing during cutover weekend are assigned to the appropriate CMS staff member and confirm that the individual is aware of the assignment and prepared to complete the task.
305. In complex implementations where a MAC and a HIGLAS split is required, additional time should be allotted in the cutover plan for the completion of the accounts receivable reconciliation activities.
306. Steps should be added to the HIGLAS cutover checklist to ensure that the aggregation process for prior months has been run before cutover activities begin.
307. IBM should confirm that all accounting is on ice during cutover activities so that delays in the post-split reconciliation process are not encountered.
308. For all implementations that use the MCS split/merge software process, the EDC recommends a task be included on the production cutover plan to allow extract tests to run a few days prior to cutover.
309. Where possible, the MAC and other key stakeholders should refrain from making email address changes, and other system related changes in the weeks leading up to and including cutover since these changes have the potential to interrupt the flow of information to key players in the cutover.

Exhibit 10
Workload Transition Lessons Learned – January 2012 (Cont.)

310. The MAC should review the production cutover checklist with all stakeholders to ensure that all parties are clear on the tasks included in the plan. Additionally, the MAC should ensure that the MAC production cutover and HIGLAS plans are reviewed for consistency.
311. Decisions and associated tasks for all workloads impacted by the HIGLAS MAC implementation (OGC in same HIGLAS org, MAC workload in the same HIGLAS org) need to be accounted for. A clear plan for all workloads should be established and tasks should be on the plan to account for them.
312. When the OGC has a small volume of shipments coming from multiple OGC facilities, the MAC can use contractor personnel to transfer files that are within a reasonable driving distance in lieu of using large sealed trucks that would need to come directly from each facility. This proves to be more cost efficient and in compliance with Medicare controls of inventory rules regulations.
313. If the MAC and HIGLAS cutover status calls are handled independently, there must be diligent coordination between the two groups. The MAC's HIGLAS representative must attend all MAC cutover status calls and provide a high-level status of the current HIGLAS cutover activities on each of the calls. Problems and/or issues identified must be shared with the group. The MAC's cutover representative(s) should also participate in the HIGLAS Cutover Status calls.

Exhibit 11

Glossary

Base/Non-base: Base/Non-base refers to those applications and interfaces that are part of core system processing and provided by the Medicare shared systems (base), and those that are not provided or maintained as part of the shared system (non-base). Examples of non-base processes include print/mail, ANSI translation, management reports, ICR/OCR imaging, data analysis, and scanning.

Claims Administration Contractor: A Medicare claims processor. A Part A fiscal intermediary, Part B carrier, or Medicare Administrative Contractor.

Closeout: The period of time from the incoming MAC's contract award to the end of the outgoing MAC's Medicare business operations during which the outgoing MAC carries out its plan to close down operations and transfer Medicare functions to the incoming MAC.

Contract Modification: A change to the written terms of a FAR contract.

Contract Transition: the process of closing out an incumbent MAC's existing Medicare contract and implementing the requirements of a subsequent contract that was awarded to that incumbent MAC for the same jurisdiction.

Cutover: The actual point at which the outgoing MAC ceases Medicare operations and the incoming MAC begins to perform Medicare business functions.

Cutover Period: The period of time surrounding the actual cutover. The cutover period normally begins 10-14 days prior to the cutover and ends with the incoming MAC's operational start date; i.e., when the incoming MAC begins normal business operations for the workload that it assumed at cutover. During the cutover period the outgoing MAC makes final preparations to shut down its operation and transfer its claims workload and administrative activities to the incoming MAC. Correspondingly, the incoming MAC makes final preparations for the receipt and utilization of Medicare files, data, and acquired assets.

Dark Day: A business day during the cutover period when the Medicare claims processing system is not available for normal business operations. System dark days may occur between the time the outgoing MAC ends its regular claims processing activities and the incoming MAC begins its first day of normal business operations.

Deliverable: 1) Information and documents that are requested from the outgoing MAC or other parties involved in a transition as part of the incoming MAC's due diligence.
2) Information, documents, reports, items, services, etc., that a MAC is required to provide to CMS as part of its FAR contract.

Exhibit 11 Glossary (Cont.)

Dim Day: A business day during the cutover period when there is some limited access to the Medicare claims processing system. It normally occurs after the actual cutover when the incoming MAC is validating its system and checking out its operation. As various components of the system are validated, such as DDE and the IVR, they will become available for access by providers during that business day. Customer service representatives may also be able to respond to certain inquiries.

Effective Date of Contract: The date that performance on the MAC contract begins after the resolution of a contract award protest.

Implementation: The period of time beginning with the award of the incoming MAC's contract and ending with the operational start date of the incoming MAC. During this period, the incoming MAC performs all of the activities specified in its implementation plan to ensure the effective transfer of Medicare functions from the outgoing MAC.

Joint Operating Agreement (JOA): A document that describes the interaction between a functional contractor and the MAC. It describes the work to be accomplished, the responsibilities of each party, and how disputes are resolved.

Jurisdiction: The territory in which the Medicare Administrative Contractor will contractually perform its Medicare functions.

Jurisdiction Consolidation: the merging of two numbered jurisdictions into a single alpha-designated consolidated jurisdiction (e.g., Jurisdiction 13 and Jurisdiction 14 combined to form Jurisdiction K).

Legacy Contractor: A Medicare Part A fiscal intermediary or a Part B carrier.

Listserv: An electronic mailing list that MACs use to notify registrants of important Medicare program matters and information.

Medicare Administrative Contractor (MAC): The entity that has the contractual responsibility for performing Medicare claims processing and other administrative functions under contract with CMS.

Medicare Claims Processor: A Part A fiscal intermediary, Part B carrier, or Medicare Administrative Contractor.

Medicare Data: Any representation of information, in electronic or physical form, pertaining to Medicare beneficiaries, providers, physicians, or suppliers, or necessary for the contractual administration thereof, that is received, maintained, processed, manipulated, stored, or provided to others in the performance of functions described in a Medicare contract.

Exhibit 11 Glossary (Cont.)

Medicare Record: A collection of related items of Medicare data treated as a unit.

Medicare File: A set or collection of related Medicare records treated as a unit.

Operational Date: The date that the MAC assumes all Medicare functions from an outgoing MAC and is capable of processing Medicare claims in accordance with its contract.

Out-of-Jurisdiction Provider: A provider that is being serviced by a MAC that is not located within the MAC's jurisdiction. All out-of-jurisdiction providers will be moved to their appropriate MACs after all of the MAC jurisdiction implementations have been completed.

Post-Cutover Period: Generally, the incoming MAC's first three months of Medicare claims processing operations, during which workload and performance are monitored closely by CMS and any problems associated with the implementation are resolved.

Post-Operational Period: For the outgoing MAC, the period between cutover and the end of its contract. Claims processing activity has ceased during this period; however, the outgoing MAC must complete its financial reporting and other related contractual closeout business activities prior to the end of its period of performance.

Pre-Award Phase: The period of time prior to award of the MAC contract where CMS is preparing for and conducting the MAC procurement.

Provider: An organization or individual who is providing a Medicare service; i.e. an institutional provider, physician, non-physician practitioner, or supplier.

Split/Merge: A split involves the separation of all electronic records in one processing region into two separate sets of records, generally split by state. A merge combines separate processing regions into one region to allow for more efficient and less costly data processing.

Technical Direction: Providing technical details, information, or direction that will help the MAC accomplish the requirements of the statement of work. Technical direction is the responsibility of the Contracting Officer's Representative, but he/she cannot change the work in the SOW, costs, or the terms, conditions, or specifications of the contract.

Transition: The entire scope of activities associated with moving the Medicare functions of an existing MAC to another MAC because the existing MAC's period of performance has ended. The transition includes implementation activities of the

Exhibit 11 Glossary (Cont.)

incoming MAC, closeout activities of the outgoing MAC, and the activities of other parties involved in the transfer of Medicare data, records, and operations to the new MAC.

Transition Monitoring: A responsibility of CMS to ensure that Medicare functions are properly transferred from the outgoing MAC to the incoming MAC. Transition monitoring begins with the award of the MAC contract and may last for three months after the operational date of the incoming MAC.

Workload Consolidation: See Jurisdiction Consolidation

Workload Transition: the period of time that encompasses the movement of Medicare operations and functions from an outgoing MAC to an incoming MAC.

Exhibit 12

Acronyms

AAS	Automated Adjudication System
ACD	Automated Call Distributor
ACH	Automated Clearing House
AdQIC	Administrative Qualified Independent Contractor
AR	Accounts Receivable
ART	Analysis Reporting and Tracking System
ARU	Automated Response Unit
ASC	Appeals Support Contractor
ASCR	Audit Selection Criteria Report
ASPEN	Automated Survey Processing Environment
BCBSA	Blue Cross and Blue Shield Association
BCC	Beneficiary Contact Center
BESS	Part B Extract and Summary System
BFE	Business Function Expert
BFL	Business Function Lead
CAFM	Contractor Administrative Budget and Financial Management
CAP	Corrective Action Plan
CAT	Contract Administration Team
CCN	Claim Control Number
CEDI	Common Electronic Data Interchange Contractor
CERT	Comprehensive Error Rate Testing
CICS	Customer Information Control System
CMIS	Contractor Management Information System
CM(M)	Center for Medicare (Management)
CMN	Certificate of Medical Necessity
CMS	Centers for Medicare and Medicaid Services
CNI	Chickasaw Nation Industries
CO	Central Office
CO	Contracting Officer
COB	Coordination of Benefits
COBA	Coordination of Benefits Administrator
COBC	Coordination of Benefits Contractor
COI	Conflict of Interest
COR	Contracting Officer's Representative
COTR	Contracting Officer's Technical Representative
COTS	Commercial Off-the-Shelf
CPE	Contractor Performance Evaluation
CPIC	Certification Package for Internal Controls
CR	Change Request
CRAF	Collection Reconciliation Acknowledgement Form
CROWD	Contractor Reporting of Operational and Workload Data
CRSL	Cost Report Settlement Log
CSAMS	Customer Service Assessment and Management System

Exhibit 12
Acronyms (Cont.)

CSI	Claim Status Inquiry
CSR	Customer Service Representative
CWF	Common Working File
DASD	Data Access Storage Device
DCN	Document Control Number
DCS	Delinquent Debt Collection System
DDE	Direct Data Entry
DHHS	Department of Health and Human Services
DMEPOS	Durable Medical Equipment, Prosthetics, Orthotics, and Supplies
DNF	Do Not Forward
ECRS	Electronic Correspondence Referral System
EDC	Enterprise Data Center
EDI	Electronic Data Interchange
EFT	Electronic Funds Transfer
EIN	Employee Identification Number
EMC	Electronic Media Claims
ERA	Electronic Remittance Advice
ERN	Electronic Remittance Notice
FACP	Final Administrative Cost Proposal
FAQ	Frequently Asked Question
FAR	Federal Acquisition Regulations
FFS	Fee-for-Service
FI	Fiscal Intermediary
FOIA	Freedom of Information Act
FISS	Fiscal Intermediary Standard System
FQHC	Federally Qualified Health Clinic
GAO	Government Accountability Office
GFE	Government Furnished Equipment
GFP	Government Furnished Property
GTL	Government Task Leader
HCPCS	Healthcare Common Procedure Coding System
HHH	Home Health and Hospice
HGTS	Harkin Grantee Tracking System
HIGLAS	Healthcare Integrated General Ledger Accounting System
HIPAA	Health Insurance Portability and Accountability Act
IACS	Individuals Authorized to Access CMS Systems
IBPR	Intermediary Benefit Payment Report
ICO	Incoming Contracting Officer
ICOR	Incoming Contracting Officer's Representative
ID/IQ	Indefinite Delivery/Indefinite Quantity
IER	Interim Expenditure Report
IL	Implementation Lead

Exhibit 12
Acronyms (Cont.)

IMAC	Incoming MAC
IPL	Initial Program Load
IOM	Internet Only Manual
ISO	International Organization for Standardization
IT	Information Technology
IVR	Interactive Voice Response
JCL	Job Control Language
JIPP	Jurisdiction Implementation Project Plan
JOA	Joint Operating Agreement
JSM/TDL	Joint Signature Memorandum/Technical Direction Letter
LAN	Local Area Network
LCD	Local Coverage Determination
LOLA	Limited On-Line Access
LPET	Local Provider Education and Training
MAC	Medicare Administrative Contractor
MCMG	Medicare Contractor Management Group
MCR	Medicare Contracting Reform
MCS	Multi-Carrier System
MDCN	Medicare Data Communications Network
MED	Medicare Exclusion Database
MICR	Magnetic Ink Character Recognition
MIP	Medicare Integrity Program
MISC	Medicare Implementation Support Contractor
MMA	Medicare Prescription Drug, Improvement and Modernization Act of 2003
MOU	Memorandum of Understanding
MPaRTS	Mistaken Payment Recovery Tracking System
MR	Medical Review
MSN	Medicare Summary Notice
MSP	Medicare Secondary Payer
NARA	National Archive and Record Administration
NGD	Next Generation Desktop
NIH	National Institutes of Health
NOBA	Notice of Budget Authorization
NSC	National Supplier Clearinghouse
OAGM	Office of Acquisition and Grants Management
OCO	Outgoing Contracting Officer
OCOR	Outgoing Contracting Officer's Representative
OCR	Optical Character Recognition
ODIE	Online Data Input and Edit
OGC	Outgoing Contractor
OFM	Office of Financial Management
OIS	Office of Information Services
OIG	Office of the Inspector General

Exhibit 12
Acronyms (Cont.)

OMAC	Outgoing MAC
OSCAR	Online Survey Certification and Reporting System
PAG	Provider Advisory Group
PCA	Progressive Corrective Action
PCC	Provider Contact Center
PCOM	Provider Communication Advisory Group
PDAC	Pricing Data Analysis and Coding Contractor
PECOS	Provider Enrollment, Chain and Ownership System
PI	Program Integrity
PIES	Provider Inquiry Evaluation System
PII	Personally Identifiable Information
PIMR	Program Integrity Medical Review
PO	Project Officer
POC	Point of Contact
POE	Provider Outreach and Education
POR	Provider Overpayment Reporting
PRA	Per Resident Amount
PRRB	Provider Reimbursement Review Board
PSC	Program Safeguard Contractor
PSOR	Physician and Supplier Overpayment Report
PTS	Provider Tracking System
QASP	Quality Assurance Surveillance Plan
QCM	Quality Call Monitoring
QWCM	Quality Written Correspondence Monitoring
QIC	Qualified Independent Contractor
QIES	Quality Improvement Evaluation System
QIO	Quality Improvement Organization
OSA	Out of Service Area
RA	Recovery Auditor
RACF	Resource Access Control Facility
RCP	Report of Contractor Performance
ReMAS	Recovery Management and Accounting System
RFC	Request for Contract
RFP	Request for Proposals
RHC	Rural Health Clinic
RHHI	Regional Home Health Intermediary
RO	Regional Office
RTP	Return to Provider
SADBUS	Small and Disadvantaged Business
SAS 70	Statement on Auditing Standard, Number 70
SBR	Supplemental Budget Request
SCH	Sole Community Hospital
SMART	System for MSP Automated Recovery and Tracking

Exhibit 12
Acronyms (Cont.)

SOW	Statement of Work
SSA	Social Security Administration
SSM	Shared System Maintainer
STAR	System Tracking Audit and Reimbursement System
STC	Single Testing Contractor
TEFRA	Tax Equity and Fiscal Responsibility Act
TDL	Technical Direction Letter
TM	Technical Monitor
UAT	User Acceptance Testing
VMS	ViPS Medicare System
WAN	Wide Area Network
WBS	Work Breakdown Structure
WIC	Western Integrity Center
ZPIC	Zone Program Integrity Contractor (PSC)

Exhibit 13
Sample Baseline Workload Templates

CLAIMS WORKLOAD REPORT - PART B
--

Metric	Oct '08	Nov '08	Dec '08	Jan '09	Feb '09	Mar '09	Apr '09	May '09	Jun '09	Jul '09	Aug '09	Sept '09	Monthly Average
Part B Receipts Total													
Part B Receipts EMC													
Part B Receipts Paper													
Part B Processed Total													
Part B Processed EMC													
Part B Processed Paper													
Part B Pending Total													
Part B Pending 31-60													
Part B Pending 60+													

Exhibit 13 – Sample Baseline Workload Templates (Cont.)

Claims Processing-Part A Timeliness Report				
Month Ending	EMC Total	EMC Processed Beyond 30 Days	EMC Processed Timely	Percentage of EMC Processed Timely
Avg Mthly *				
Oct-08				
Nov-08				
Dec-08				
Jan-09				
Feb-09				
Mar-09				
Apr-09				
May-09				
Jun-09				
Jul-09				
Aug-09				
Sep-09				
<i>* - Average monthly based on data from 10/01/08 thru 09/30/09.</i>				
Claims Processing-Part B Timeliness Report				
Month Ending	EMC	Other Than Clean within 45 days	Total	Percentage of EMC Processed Timely
Avg Mthly *				
Oct-10				
Nov-10				
Dec-10				
Jan-10				
Feb-10				
Mar-10				
Apr-10				
May-10				
Jun-10				
Jul-10				
Aug-10				
Sep-10				
<i>* - Average monthly based on data from __/__/__ thru __/__/__.</i>				

Exhibit 13 – Sample Baseline Workload Templates (Cont.)

Claims Payment-Part A Report	
Month Ending	Total Monthly Payments
Avg Mthly	
Oct-08	
Nov-08	
Dec-08	
Jan-09	
Feb-09	
Mar-09	
Apr-09	
May-09	
Jun-09	
Jul-09	
Aug-09	
Sep-09	
Claims Payment-Part B Report	
Month Ending	Total Monthly Payments
Avg Mthly *	
Oct-08	
Nov-08	
Dec-08	
Jan-09	
Feb-09	
Mar-09	
Apr-09	
May-09	
Jun-09	
Jul-09	
Aug-09	
Sep-09	

Exhibit 13 – Sample Baseline Workload Templates (Cont.)

Financial Receipts-Part A Report (e.g. voluntary refunds)			
Month Ending	EMC	Paper	Total
Avg Mthly *	-	-	-
Oct-08	-	-	-
Nov-08	-	-	-
Dec-08	-	-	-
Jan-09	-	-	-
Feb-09	-	-	-
Mar-09	-	-	-
Apr-09	-	-	-
May-09	-	-	-
Jun-09	-	-	-
Jul-09	-	-	-
Aug-09	-	-	-
Source: FISS/HIGLAS * - Average monthly based on data from __/__/__ thru __/__/__.			
Financial Receipts-Part B Report (e.g. voluntary refunds)			
Month Ending	EMC	Paper	Total
Avg Mthly *			
Oct-08			
Nov-08			
Dec-08			
Jan-09			
Feb-09			
Mar-09			
Apr-09			
May-09			
Jun-09			
Jul-09			
Aug-09			
Source: MCS * - Average monthly based on data from __/__/__ thru __/__/__.			

PART A & PART B Appeals Workload Report

PART A & PART B Appeals Workload Report													
Part A Appeals													
Part A Redeterminations	Oct 2008	Nov 2008	Dec 2008	Jan 2009	Feb 2009	March 2009	April 2009	May 2009	June 2009	July 2009	Aug 2009	Sept 2009	Monthly Average
Receipts Processed Pending Pending over 60 Days													
Part A QIC	Oct 2008	Nov 2008	Dec 2008	Jan 2009	Feb 2009	March 2009	April 2009	May 2009	June 2009	July 2009	Aug 2009	Sept 2009	Monthly Average
Receipts Effectuations Pending Pending over 60 Days													
Part A ALJ	Oct 2008	Nov 2008	Dec 2008	Jan 2009	Feb 2009	March 2009	April 2009	May 2009	June 2009	July 2009	Aug 2009	Sept 2009	Monthly Average
Receipts Effectuations Pending Pending over 60 Days													
Part B Appeals													
Part B Redeterminations	Oct 2008	Nov 2008	Dec 2008	Jan 2009	Feb 2009	March 2009	April 2009	May 2009	June 2009	July 2009	Aug 2009	Sept 2009	Monthly Average
Receipts Processed Pending Pending over 60 Days													
Part B QIC	Oct 2008	Nov 2008	Dec 2008	Jan 2009	Feb 2009	March 2009	April 2009	May 2009	June 2009	July 2009	Aug 2009	Sept 2009	Monthly Average
Receipts Effectuations Pending Pending over 60 Days													
Part B ALJ	Oct 2008	Nov 2008	Dec 2008	Jan 2009	Feb 2009	March 2009	April 2009	May 2009	June 2009	July 2009	Aug 2009	Sept 2009	Monthly Average
Receipts Effectuations Pending Pending over 60 Days													

Exhibit 13 – Sample Baseline Workload Templates

PART A PROVIDER ENROLLMENT WORKLOAD REPORT			
Month Ending	PE Applications	PE Changes	Total
Avg Mthly *			
Oct-08			
Nov-08			
Dec-08			
Jan-09			
Feb-09			
Mar-09			-
Apr-09			-
May-09			-
Jun-09			-
Jul-09			-
Aug-09			-
Sep-09			-
PART B PROVIDER ENROLLMENT WORKLOAD REPORT			
Month Ending	PE Applications	PE Changes	Total
Avg Mthly *			
Oct-08			
Nov-08			
Dec-08			
Jan-09			
Feb-09			
Mar-09			
Apr-09			
May-09			
Jun-09			
Jul-09			
Aug-09			
Sep-09			
<p style="text-align: center;"><i>* - Average monthly based on data from ___/___/___ thru ___/___/___.</i></p>			

CUSTOMER SERVICE PART A & PART B WORKLOAD REPORT													
Part A Provider Contact Center													
Telephone Inquiries	Oct 2008	Nov 2008	Dec 2008	Jan 2009	Feb 2009	March 2009	April 2009	May 2009	June 2009	July 2009	Aug 2009	Sept 2009	Monthly Average
Total Calls													
Part A Provider Correspondence													
Provider Inquiries	Oct 2008	Nov 2008	Dec 2008	Jan 2009	Feb 2009	March 2009	April 2009	May 2009	June 2009	July 2009	Aug 2009	Sept 2009	Monthly Average
Receipts Processed Pending Pending over 45 Days													
Part A Beneficiary Inquires Complex													
Provider Inquiries	Oct 2008	Nov 2008	Dec 2008	Jan 2009	Feb 2009	March 2009	April 2009	May 2009	June 2009	July 2009	Aug 2009	Sept 2009	Monthly Average
Receipts Processed Pending													
Part B Provider Contact Center													
Telephone Inquiries	Oct-08	Nov-08	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Monthly
Total Calls													
0 0 0 0 0 0 0 0 0 0 0 0 0													
Part B Provider Correspondence													
Provider Inquiries	Oct-08	Nov-08	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Monthly
Receipts Processed Pending													
Part B Beneficiary Inquires Complex													
Provider Inquiries	Oct-08	Nov-08	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Monthly
Receipts Processed Pending													
-													
-													
-													

Exhibit 14 – File and Record Transfer Plan Contents

A file/record transfer plan should include the following key elements:

1.0 Overview

This section provides a high level overview of the File/Record Transfer Plan objectives and explains the strategy the MACs are planning to use to transfer the existing Medicare records of the outgoing MAC to the incoming MAC. This section may also include key dates (i.e., cutover dates, file transfer dates, etc).

2.0 On-site Storage Facility Information

This section describes information related to the on-site records that are located in the outgoing MAC's facility that need to be transferred to the MAC.

Topics in this section should include:

- Assumptions;
- The incoming MAC's proposed transfer plan;
- Inventory Lists - this should detail the various categories within each given work type (e.g., Appeals – Redeterminations, Reopenings, QIC effectuations, etc.). It should include volumes (e.g., estimated number of boxes, size of boxes) and types of records to be transferred;
- Names, locations and contact information for the outgoing MAC's on-site storage facilities;
- Dates the outgoing MAC should discontinue sending files to off-site storage;
- Stop Work Dates – these are the dates in which the outgoing MAC will discontinue processing its pending inventories and begin shipping preparations. To ensure there is no misunderstanding, the plan should clearly specify the dates any pending work should be stopped and shipped as well as the dates any completed work should be shipped since these dates may differ;
- Shipping Instructions;
- Shipment Options (if any); and
- Boxing and Labeling Instructions - the incoming MAC should develop a labeling system to provide to the outgoing MAC so that boxes are routed correctly to the incoming MAC for operational use or storage.
 - At a minimum, the label of each box of files should display the title of the record series or workgroup/function (i.e., claims, provider enrollment, and medical review) along with the type of document (i.e., ADR, EFT, PCA) and the earliest and latest dates of the records in the box.
 - Consider using a unique process, such as color coding the labels on the boxes, to easily differentiate between boxes containing pending work and completed work (e.g., red labels for pending work and blue labels for completed work).

Exhibit 14 – File and Record Transfer Plan Contents (Cont.)

- Numbering the boxes to indicate Box 1 of 25, 2 of 25, etc. can also be helpful.
- A listing of the box contents can be placed inside each box as well as securing a copy to the outside of the box.

3.0 Off-site Storage Facilities Information

This section describes the current location and storage facility of the records to be transferred as well as the incoming MAC's plan for either transferring the records or taking over the existing off-site storage facility contract(s).

Topics in this section should include:

- Assumptions;
- The incoming MAC's proposed transfer plans;
- Inventory lists - including volumes (e.g., estimated number of boxes, size of boxes) and types of records to be transferred; and
- Names, locations and contact information for the outgoing MAC's off-site storage facilities.

4.0 Electronic File Transfers

This section describes the type, age and information related to electronic files to be transferred. The MAC should also include the method of how the electronic files will be sent (e.g., NDM).

Other topics within this section may include:

- Imaging records;
- Commingled Records (if any);
- Electronic Inventory Lists;
- Files that require encryption (e.g., internal database files); and
- Encryption process.

5.0 Miscellaneous Topics

The MACs should also include the followings topics in their File/Record Transfer Plan:

- Description of any Memorandum of Understanding (MOU), if necessary;
- Handling of misrouted mail; and
- New mailing addresses for the incoming MAC.

Validation process including: (1) the verification of electronic files to determine the quality of the inventory results, and (2) the plan for physical sampling for paper files to confirm the accuracy of the information recorded on the inventory form.

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