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| <b>CMS Manual System</b>                | <b>Department of Health &amp; Human Services (DHHS)</b>   |
| <b>Pub 100-20 One-Time Notification</b> | <b>Centers for Medicare &amp; Medicaid Services (CMS)</b> |
| <b>Transmittal 2077</b>                 | <b>Date: May 4, 2018</b>                                  |
|   | <b>Change Request 10255</b>                               |

**SUBJECT: Clean-up of Fiscal Intermediary Shared System (FISS) Reason Codes and Quarterly Reports**

**I. SUMMARY OF CHANGES:** Currently, quarterly reports are produced that identify variances between the Centers for Medicare & Medicaid Services (CMS) standard setting of a reason code and the part A Medicare Administrative Contractors (MAC) settings. The purpose of this Change Request (CR) is to update reason codes on the FISS system that are no longer used or are temporarily deactivated and to update the quarterly reports respectively. There have been issues with the process to validate settings. Changes were made with CR9366 to add a field on the FISS system so MACs can enter the justification of change to an inactive status and that justification as well as effective date would appear on the FSSW0748 reports to alleviate some of the issues.

**EFFECTIVE DATE: October 1, 2018**

*\*Unless otherwise specified, the effective date is the date of service.*

**IMPLEMENTATION DATE: October 1, 2018**

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS:** (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

| <b>R/N/D</b> | <b>CHAPTER / SECTION / SUBSECTION / TITLE</b> |
|--------------|---|
| N/A          | N/A   |

**III. FUNDING:**

**For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**IV. ATTACHMENTS:**

**One Time Notification**

# Attachment - One-Time Notification

|             |                   |                   |                       |
|-------------|-------------------|-------------------|-----------------------|
| Pub. 100-20 | Transmittal: 2077 | Date: May 4, 2018 | Change Request: 10255 |
|-------------|-------------------|-------------------|-----------------------|

**SUBJECT: Clean-up of Fiscal Intermediary Shared System (FISS) Reason Codes and Quarterly Reports**

**EFFECTIVE DATE: October 1, 2018**

*\*Unless otherwise specified, the effective date is the date of service.*

**IMPLEMENTATION DATE: October 1, 2018**

**I. GENERAL INFORMATION**

**A. Background:** As a result of a Chief Financial Officer (CFO) audit, the Centers for Medicare & Medicaid Services (CMS) has established a Corrective Action Plan (CAP) in an effort to eliminate the material weakness noted in the Medicare electronic data processing standards regarding controls over the edit settings in the fee-for-service applications. Currently, quarterly reports are produced that identify variances between the CMS standard setting and the Medicare Administrative Contractors (MAC) settings of reason codes. There have been issues with data on the FSSW0748 reports for the FISS system, as well as the process to validate settings.

**B. Policy:** N/A

**II. BUSINESS REQUIREMENTS TABLE**

*"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.*

| Number  | Requirement  | Responsibility |   |             |                            |                                  |             |             |             |       |
|---------|--|----------------|---|-------------|----------------------------|----------------------------------|-------------|-------------|-------------|-------|
|         |  | A/B<br>MAC     |   |             | D<br>M<br>E<br>M<br>A<br>C | Shared-<br>System<br>Maintainers |             |             |             | Other |
|         |  | A              | B | H<br>H<br>H |                            | F<br>I<br>S<br>S                 | M<br>C<br>S | V<br>M<br>S | C<br>W<br>F |       |
| 10255.1 | The Shared System Maintainer (SSM) shall permanently delete and remove the following reason codes from the FISS system that have been inactive and are no longer used:<br><br>30947, 31157, 31444, 31564, 32061, 32232, 39001, 39949, 39950, 39951, 39952, 39953, 39954, 59033, 59034, 59035, 59036, 59037, 59038, 59065, 59066, 59067, 59068, 59077, 59078, 59251, 59252, 59253, 59254, 59255, 59256, 59257, 59258, 59259, 59260, 59261, 59262, 59263 |                |   |             |                            | X                                |             |             |             |       |
| 10255.2 | The SSM shall set the CMS standard in the FISS system to inactive for the following reason codes:<br><br>32721, 32722, 59112, 59113, 59114, 59115, 59182, 59183  | X              |   |             |                            | X                                |             |             |             |       |

| Number    | Requirement   | Responsibility |   |             |                            |                           |             |             |             |       |
|-----------|---|----------------|---|-------------|----------------------------|---------------------------|-------------|-------------|-------------|-------|
|           |   | A/B MAC        |   |             | D<br>M<br>E<br>M<br>A<br>C | Shared-System Maintainers |             |             |             | Other |
|           |   | A              | B | H<br>H<br>H |                            | F<br>I<br>S<br>S          | M<br>C<br>S | V<br>M<br>S | C<br>W<br>F |       |
|           | <p>These will be reactivated in future CRs.</p> <p>Note: Reason Codes 59182, 59183 are set at the discretion of the MACs per CR9631 but will have a CMS standard of inactive and will not match it in all cases until a future CR is written for further instruction.</p>   |                |   |             |                            |                           |             |             |             |       |
| 10255.3   | The SSM shall no longer report deleted reason codes with a CMS STD equal to D and a Status equal to an 'A' in both the HC and EMC fields on the FSSW0747 and FSSW0748 reports.  |                |   |             |                            | X                         |             |             |             |       |
| 10255.4   | The SSM shall document the process, when a reason code is deleted in the FISS system the reason code can no longer be activated by a MAC. The documentation once updated or added shall be sent to FFS_Security_Edits@cms.hhs.gov by the implementation date of this CR.  |                |   |             |                            | X                         |             |             |             |       |
| 10255.5   | The SSM shall modify the FSSW0748 report to have all information of the reason codes on one line.   |                |   |             |                            | X                         |             |             |             |       |
| 10255.5.1 | MACs shall approve the design of the modification during the walkthrough call for BR5.  | X              |   | X           |                            |                           |             |             |             |       |
| 10255.6   | <p>The SSM shall modify the FISS system to allow the MACs to enter value of "L" for "Local" edits in the CMS standard field and will be included on the All Edit report FSSW0747.</p> <p>These local edits shall be excluded from the FSSW0748 non-compliant report.</p>  |                |   |             |                            | X                         |             |             |             |       |
| 10255.7   | <p>The SSM shall develop a utility to update existing local edits with the value of "L" or "Local". The A/B MACs Part A and Home Health MACs shall ensure that the updates are accurate. FISS will allow the MACs to update the CMS STD field to an 'L' for all 5xxxx reason codes <b>except</b> for the following: 58B32, 58E32, 58ECZ, 58ESA, 5PCLU, 50NCD, 51NCD, 52NCD, 53NCD, 54NCD, 55NCD, 51MUE, 52MUE, 53MUE, 54MUE, 55MUE, 56MUE, 57MUE, 58MUE, 59MUE, 5AMUE, 5BMUE, 5CMUE, 5DMUE, 5EMUE, and 59XXX.</p> <p>Note: Any reason code that the MACs create for a</p> | X              |   | X           |                            | X                         |             |             |             |       |

| Number   | Requirement  | Responsibility |   |             |                            |                                  |                  |                  |             |       |
|----------|--|----------------|---|-------------|----------------------------|----------------------------------|------------------|------------------|-------------|-------|
|          |  | A/B<br>MAC     |   |             | D<br>M<br>E<br>M<br>A<br>C | Shared-<br>System<br>Maintainers |                  |                  |             | Other |
|          |  | A              | B | H<br>H<br>H |                            | F<br>I<br>S<br>S                 | M<br>C<br>S<br>S | V<br>M<br>S<br>S | C<br>W<br>F |       |
|          | CMS instruction (i.e., Technical Direction Letter (TDL)) or for a CWF edit shall be identified as a "Local."   |                |   |             |                            |                                  |                  |                  |             |       |
| 10255.8  | The MACs shall have until the next quarter's edit reports to have all the local reason codes updated to a CMS Standard of "L".   | X              |   | X           |                            |                                  |                  |                  |             |       |
| 10255.9  | The SSM shall create a new administrative reason code to restrict MAC entry of new reason codes. MACs will only be allowed to enter reason codes that start with A-Z, 7 or 5 with the exception of 59XXX, 59CXX, 5xNCD, and 5xMUE ranges.  |                |   |             |                            | X                                |                  |                  |             |       |
| 10255.10 | <p>The SSM shall modify file maintenance edit 4C038 and 4C039 (requires the MAC to enter a justification and effective date for the Reason code update) to only assign when the CMS Standard field and the MAC corresponding reason code status is not equal. It shall not edit when the reason codes are updated for any other reason.</p> <p>If either of the following are TRUE, the 4C038/4C039 edit WILL fire:</p> <p>-If the CMS STD = A and the reason code status is added/modified to status 'A' or 'SMDLTD'.</p> <p>-If the CMS STD = I and the reason code status is added/modified to anything other than 'A'.</p> |                |   |             |                            | X                                |                  |                  |             |       |
| 10255.11 | <p>The SSM shall not have the ability to update the reason codes CMS standard field to an active disposition unless it is being added as a new Reason Code or CMS approval has been granted.</p> <p>Note: This requirement corrects a current system process that updates the CMS standard when any update is made to the reason code narrative.</p>   |                |   |             |                            | X                                |                  |                  |             |       |
| 10255.12 | <p>The SSM shall always retain the last justification and date field on the FSSW0748 when it is outside of the current quarter.</p> <p>Note: If the reason code has more than one justification and date in the same quarter, then they shall all be on the current quarter's report as originally</p>   |                |   |             |                            | X                                |                  |                  |             |       |

| Number | Requirement           | Responsibility |   |             |                            |                           |             |             |             |       |
|--------|-----------------------|----------------|---|-------------|----------------------------|---------------------------|-------------|-------------|-------------|-------|
|        |                       | A/B MAC        |   |             | D<br>M<br>E<br>M<br>A<br>C | Shared-System Maintainers |             |             |             | Other |
|        |                       | A              | B | H<br>H<br>H |                            | F<br>I<br>S<br>S          | M<br>C<br>S | V<br>M<br>S | C<br>W<br>F |       |
|        | stated in CR9366.2.1. |                |   |             |                            |                           |             |             |             |       |

**III. PROVIDER EDUCATION TABLE**

| Number | Requirement | Responsibility |   |             |                            |                  |
|--------|-------------|----------------|---|-------------|----------------------------|------------------|
|        |             | A/B MAC        |   |             | D<br>M<br>E<br>M<br>A<br>C | C<br>E<br>D<br>I |
|        |             | A              | B | H<br>H<br>H |                            |                  |
|        | None        |                |   |             |                            |                  |

**IV. SUPPORTING INFORMATION**

**Section A: Recommendations and supporting information associated with listed requirements: N/A**

*"Should" denotes a recommendation.*

| X-Ref Requirement Number | Recommendations or other supporting information: |
|--------------------------|--|
|                          |  |

**Section B: All other recommendations and supporting information: N/A**

**V. CONTACTS**

**Pre-Implementation Contact(s):** Stacey Shagena, 410-786-8208 or stacey.shagena@cms.hhs.gov , Rose Salloum, 410-786-0190 or rose.salloum@cms.hhs.gov

**Post-Implementation Contact(s):** Contact your Contracting Officer's Representative (COR).

**VI. FUNDING**

**Section A: For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**ATTACHMENTS: 0**