

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1133	Date: November 1, 2012
	Change Request 8009

SUBJECT: New Informational Unsolicited Response (IUR) Process to Identify Previously Paid Claims for Services Furnished to Medicare Beneficiaries Classified as "Unlawfully Present" in the United States

I. SUMMARY OF CHANGES: The intent of this CR is to create a new IUR process to identify and perform retroactive adjustments on any previously paid claims which may have been paid erroneously during periods when the beneficiary data in the EDB did not reflect the fact that the beneficiary was unlawfully present in the United States.

EFFECTIVE DATE: April 1, 2013

IMPLEMENTATION DATE: April 1, 2013

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.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	

III. FUNDING:

For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs):

No additional funding will be provided by CMS; Contractors activities are to be carried out with their operating budgets

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 obliged 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

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

Attachment - One-Time Notification

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I. GENERAL INFORMATION

A. Background: Section 401 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) prohibited aliens who are not “qualified aliens” from receiving Federal benefits, including Medicare benefits. Consistent with this legislation, § 10.1.4.8 of Chapter 1 of the Internet Only Manual (IOM) Publication 100-04 Medicare Claims Processing Manual states that “Medicare payment may not be made for items and services furnished to an alien beneficiary who was not lawfully present in the United States on the date of service.”

Federal benefit entitlement information is provided to the Centers for Medicare & Medicaid Services (CMS) by the Social Security Administration (SSA) on a daily basis. Such information is housed in the Enrollment Database (EDB) within the Common Working File (CWF) and is used in the adjudication of claims for healthcare services provided to Medicare beneficiaries. When the SSA learns of a beneficiary’s status as “unlawfully present” in the United States, the beneficiary’s record in the EDB is updated to reflect that fact and the effective date of that status.

CMS Transmittal AB-03-115, Change Request (CR) 2825, issued on August 1, 2003, implemented a CWF edit to reject services billed to Medicare when information in the EDB indicates that, on the date of service, the beneficiary was not lawfully present in the United States. Upon receipt of this CWF rejection, claims administration contractors were instructed to deny the claim or claims.

The Office of Inspector General (OIG) has identified a vulnerability where there may be, in some instances, a period of time between when the beneficiary is deemed to be unlawfully present in the United States and when the SSA learns of this status and updates its records (and the CWF is subsequently updated). During this time, it’s possible that Medicare fee-for-service claims for services would be paid erroneously because the beneficiary’s entitlement data in the EDB is not up-to-date when the claims are adjudicated.

CMS has identified the Informational Unsolicited Response (IUR) process within CWF as a means to mitigate this vulnerability. An IUR identifies a claim that needs to be adjusted by a Medicare claims administration contractor. The CWF does not cancel the claim but returns information in Trailer 24. Upon receipt of the IUR the shared system software reads the trailer for each claim and an automated adjustment is performed. The contractor, when appropriate, initiates overpayment recovery procedures to retract Part A and/or Part B payment and generates an adjustment to update or cancel the claim on CWF and contractor history.

Therefore, CMS is creating a new IUR process to identify and perform retroactive adjustments on any previously paid claims which may have been paid erroneously during periods when the beneficiary data in the EDB did not reflect the fact that the beneficiary was unlawfully present in the United States.

B. Policy: Medicare does not pay for medical items/services furnished to an alien beneficiary who was not lawfully present in the United States on the date of service that the items/services were furnished. As such, CWF shall create a new IUR process to identify previously paid claims that contain dates of service (DOS) that

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8009.4	MLN Article : A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web sites and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X	X	X	X	X	X	

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A
Use "Should" to denote 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): Eric Coulson, eric.coulson@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR) or Contractor Manager, as applicable.

VI. FUNDING

Section A: For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs):
 No additional funding will be provided by CMS; Contractors activities are to be carried out with their operating budgets

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