

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1361	Date: March 25, 2014
	Change Request 8629

Transmittal 1349, dated February 21, 2014, is being rescinded and replaced by Transmittal 1361 to include MCS as a responsible party for Requirement 8629.1 and to remove Attachment #1. All other information remains the same.

SUBJECT: Implementation of NACHA Operating Rules for Health Care Electronic Funds Transfers (EFT)

I. SUMMARY OF CHANGES: The purpose of this CR is to implement compliance with NACHA operating rules that took effect on September 20, 2013, specifically those that apply to Originators of health care payments via the ACH payment network.

EFFECTIVE DATE: July 1, 2014

IMPLEMENTATION DATE: July 7, 2014

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

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

Pub. 100-20	Transmittal: 1361	Date: March 25, 2014	Change Request: 8629
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SUBJECT: Implementation of NACHA Operating Rules for Health Care Electronic Funds Transfers (EFT)

EFFECTIVE DATE: July 1, 2014

IMPLEMENTATION DATE: July 7, 2014

I. GENERAL INFORMATION

A. Background: In support of HIPAA Operating Rules for the health care electronic funds transfers (EFT) and remittance advice transaction adopted by HHS, NACHA – The Electronic Payments Association has adopted its own operating rules that apply to ACH transactions that are health care payments from health plans to providers. NACHA manages the development, administration, and governance of the ACH Network used by all types of financial networks and represents more than 10,000 financial institutions.

The NACHA Operating Rules that apply to health care payments took effect on September 20, 2013. Some of the NACHA Operating Rules that apply to health care payments apply to “Originators” of those payments, which include the health plans, payers, or their business associates.

B. Policy: A specific NACHA Operating Rule that applies to Originators – – and is distinct from related HIPAA requirements – is the requirement to clearly identify CCD Entries that are Healthcare EFT Transactions using a specific identifier.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			D M E	Shared- System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
8629.1	Shared Systems Maintainers and MAC contractors shall ensure the following NACHA requirements are included in the CCD+ payment file header record: 1. The “HCCLAIMPMT” value shall be included in the Company Entry Description field in the Batch Header Record (record type 5 field 7, positions 54-63) of the CCD+ payment file to the Bank (ODFI).	X	X	X	X	X	X	X		EDCs, EDS

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared-System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
	<p>2. The Company Name field in the Batch Header Record (record type 5 field 3, positions 05-20) shall be populated with a name by which the provider will recognize the Health Plan.</p> <p>For information on the NACHA Operating Rules that apply to health care payments, particularly with regard to requirements for originators, see https://healthcare.nacha.org/healthcarerules.</p> <p>See also Attachment 1 for summary.</p>									
8629.1.1	<p>A prenote shall be in a separate batch that does not use the entry description of HCCLAIMPMT. Prenotes shall use the following values for the Company Entry Description field: MED A PMT, MED B PMT, and DME PMT for Medicare Part A, Part B, and DME prenotes, respectively.</p>	X	X	X	X	X	X	X	EDCs, EDS	

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	C E D I
		A	B	H H H		
8629.2	<p>MLN Article: A provider education article related to this instruction will be available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/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.</p>	X	X	X	X	

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

V. CONTACTS

Pre-Implementation Contact(s): Matthew Albright, 410-786-2546 or matthew.albright@cms.hhs.gov, John Evangelist, 410-786-2885 or john.evangelist@cms.hhs.gov

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

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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