

<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 1407</b>	<b>Date: August 1, 2014</b>
	<b>Change Request 8555</b>

**SUBJECT: Inpatient Hospital Claims and Medicare Secondary Payer (MSP) Claims with Medicare Coinsurance Days and/or Medicare Lifetime Reserve Days Occurring in the Seventh or More Calendar Years – Analysis and Design Only**

**I. SUMMARY OF CHANGES:** Through this analysis CR, the CMS is seeking the assistance of Medicare Shared System Maintainers to analyze and design system specifications that will successfully process inpatient claims with coinsurance and or lifetime reserve days in the seventh or greater years.

**EFFECTIVE DATE: January 1, 2015**

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

**IMPLEMENTATION DATE: January 5, 2015**

*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 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**

# Attachment - One-Time Notification

<b>Pub. 100-20</b>	<b>Transmittal: 1407</b>	<b>Date: August 1, 2014</b>	<b>Change Request: 8555</b>
--------------------	--------------------------	-----------------------------	-----------------------------

**SUBJECT: Inpatient Hospital Claims and Medicare Secondary Payer (MSP) Claims with Medicare Coinsurance Days and/or Medicare Lifetime Reserve Days Occurring in the Seventh or More Calendar Years – Analysis and Design Only**

**EFFECTIVE DATE: January 1, 2015**

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

**IMPLEMENTATION DATE: January 5, 2015**

## I. GENERAL INFORMATION

**A. Background:** CMS CR 8130 was created to allow Medicare systems to accurately process inpatient hospital claims and MSP claims with coinsurance and/or lifetime reserve (LTR) days applied in the third or greater years. The Fiscal Intermediary Shared System (FISS) added new fields for internal use only to hold the coinsurance or LTR amounts applied in the 2nd, 3rd, 4th, 5th or 6th years. Recently CMS was notified that claims with coinsurance and or LTR days applied in years beyond six are not applying the correct rate.

The purpose of this change request is to allow the Centers for Medicare & Medicaid Services (CMS) Medicare shared system maintainers FISS and Common Working File (CWF) to analyze and design system requirements needed to implement the application of coinsurance and LTR days to year seven and beyond.

**B. Policy:** This analysis and design CR is seeking the assistance of Medicare Shared System Maintainers to analyze and design system specifications that will successfully process inpatient claims with coinsurance and or lifetime reserve days applied in the seventh or greater years.

Considerations:

- No end year
- Ability for Customer Service Representatives to understand the application of coinsurance and or LTR days and how they were calculated.
- Open forum to discuss other options

## II. BUSINESS REQUIREMENTS TABLE

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

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	
8555.1	Medicare contractors shall participate in 3 hourly conference calls to discuss and design system specifications to process inpatient claims with coinsurance and or lifetime reserve days applied in the	X				X			X	

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	
	seventh or greater years.									
8555.2	Upon release of this instruction, FISS shall set up 3 consecutive weekly conference calls lasting one hour each.					X				
8555.3	Medicare contractors shall identify issues (including assumptions and unknowns) to determine application of coinsurance and or lifetime reserve days applied in the seventh or greater years.	X				X			X	
8555.4	Medicare contractors shall perform analysis and design activities, and estimate the level of effort to implement changes necessary to apply coinsurance and or lifetime reserve days applied in the seventh or greater years.					X			X	
8555.5	Medicare contractors shall make implementation recommendations to CMS concerning issues raised during discussions with CMS relating to the application of coinsurance and or lifetime reserve days applied in the seventh or greater years.	X				X			X	
8555.6	Medicare contractor shall develop call minutes and document issues (open and closed) and agreements on the requirements for implementation of this CR, and provide the minutes to Cami DiGiacomo (listed in Section V of the CR) within 3 days of each call.					X				
8555.7	Medicare contractors shall prepare analysis documents for CMS based off the discussions that occur in the conference calls for their systems.					X			X	
8555.8	Medicare contractors shall provide the analysis documents to CMS no later than April 30, 2015.					X			X	

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC		D M E  M A C	CEDI	
		A	B	H H 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):** Cami DiGiacomo, 410-786-5888 or cami.digiacomo@cms.hhs.gov, Sarah Shirey-Losso, 410-786-0187 or sarah.shirey-losso@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):**

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**