

<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 1590</b>	<b>Date: January 5, 2016</b>
	<b>Change Request 9372</b>

**Transmittal 1568, dated November 6, 2015, is being rescinded and replaced by Transmittal 1590 to clarify several business requirements, provide specific file layout information, adjust the delivery date for the test file, and delete BR 9372.2.3. Also, BRs 9372.1.2.1, 9372.1.3.1, 9372.2.2.1, 9372.4.2 and 9372.4.3 have been added to the CR. All other information remains the same.**

**SUBJECT: Implementation of Procedures for Undeliverable Medicare Summary Notices (uMSNs)**

**I. SUMMARY OF CHANGES:** The purpose of this change request (CR) is to provide Shared System Maintainers (SSMs) and Medicare Administrative Contractors (MACs) with instructions as to how they will implement changes to their systems and procedures in order to resolve the issue of undeliverable MSNs (uMSNs). They will also be provided with instructions as to how uMSNs will be handled, going forward. This CR includes two processes that will help eliminate uMSNs.

**EFFECTIVE DATE: April 4, 2016**

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

**IMPLEMENTATION DATE: April 4, 2016 - MCS, FISS, and VMS Analysis. MAC, DME-MAC, and RRB-SMAC Implementation; July 5, 2016 - MCS, FISS, and VMS Coding and Implementation**

*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: 1590	Date: January 5, 2016	Change Request: 9372
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## **I. GENERAL INFORMATION**

**A. Background:** There are no guidelines for Medicare Administrative Contractors (MACs) regarding the disposition of undeliverable Medicare Summary Notices (uMSNs). A uMSN is an MSN that a MAC has mailed to a beneficiary, but which is subsequently returned to the MAC by the United States Postal Service (USPS) because the recipient's address is incorrect. Because of Personally Identifiable Information (PII), the USPS cannot send an MSN to a forwarding address, and the contractor cannot directly mail an MSN to a forwarding address. If a contractor continues to send MSNs to an address that the USPS has determined to be undeliverable, the contractor will be fined, and can lose their postal discount privileges. Millions of uMSNs are returned to contractors every year.

Contractors currently spend funds to repeatedly send MSNs to the incorrect addresses and to store or destroy those that are returned. This does not help the MSN reach the beneficiary, nor does it help to locate the correct address for the beneficiary. There have been several Office of Inspector General (OIG) audits, which have found current practices to be wasteful and inefficient. MACs have requested guidance. As a result, the Centers for Medicare & Medicaid Services (CMS) is providing instructions to contractors regarding how they shall handle and process non-pay uMSNs. The new procedures will provide for a large cost savings and a more effective means of identifying a beneficiary's correct address.

A contractor will assist CMS in determining which beneficiary addresses are currently undeliverable. This outside contractor will be provided with all beneficiary addresses in the Social Security Administration's (SSA's) master file. The contractor will then run those addresses through postal software, as well as compare them to the National Change of Address (NCOA) listings, in order to compile a list of all undeliverable beneficiary addresses, which will be provided to CMS. CMS will then provide the list to the Virtual Data Centers (VDCs), so the Shared Systems can flag those addresses as undeliverable and suppress the mailing of non-pay print MSNs to those undeliverable addresses. Whenever an updated beneficiary address is provided to SSA, the respective beneficiary's non-pay print MSNs will be un-suppressed, and mailing of their non-pay print MSNs will resume. (Railroad Board (RRB) Call Centers do not refer beneficiaries to SSA for address changes, but to the RRB office.)

Also, after the outside contractor has run all undeliverable beneficiary addresses against the NCOA, and determined which beneficiaries have informed the USPS about an address change, the contractor will mail letters to all the changed beneficiary addresses provided by the NCOA, directing those beneficiaries to contact SSA (or the RRB office, in the case of RRB beneficiaries) and provide SSA/RRB with their new address, so they may return to receiving CMS and SSA correspondence. Beneficiaries who are sent these letters, but who do not update their address with SSA/RRB within 3 months of receiving the letter, will receive a second letter. The second letter will include the same information as the first letter. This process

will repeat every 6 months, until the beneficiary contacts SSA/RRB and updates his/her address.

**B. Policy:** The OIG, by way of an audit, has instructed CMS to prepare guidelines regarding the disposition of uMSNs, in order to cease (or decrease) the wasting of funds and to meet CMS' obligation of providing an MSN to every beneficiary who receives services.

**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		
9372.1	The Shared Systems Maintainers (SSMs) shall create an indicator in their systems (a "flag," if you will) which will allow them to mark a beneficiary's address as undeliverable.					X		X			
9372.1.1	The undeliverable address flag shall be capable of being turned on or off by the SSM.					X	X	X			
9372.1.2	If, in a beneficiary's file, the undeliverable address flag is turned on, this shall trigger the suppression of that beneficiary's non-pay Medicare Summary Notices (MSNs) – and only the non-pay MSNs. If the undeliverable address flag is turned off, all of a beneficiary's MSNs will be mailed as usual. (That is, undeliverable address flag <b>ON</b> = Shared Systems suppress the mailing of non-pay MSNs to the beneficiary; undeliverable address flag <b>OFF</b> = mail all MSNs to the beneficiary.)					X		X			
9372.1.2.1	For the purposes of this CR, “non-pay MSNs” shall refer only to print MSNs. This CR does not apply to electronic MSNs (eMSNs).	X	X	X	X	X	X	X		CMS, VDCs	
9372.1.3	The Shared Systems shall be capable of recording the date when the undeliverable address flag is initially turned on in a beneficiary's file. (Undeliverable address flag <b>ON</b> = suppress the mailing of non-pay MSNs to the beneficiary.)					X	X	X			
9372.1.3.1	If any Shared System already has an existing process in place, by which it stores all of a beneficiary's suppressed MSNs in a file until the undeliverable flag is turned off, and then releases those stored MSNs at the time the flag is turned off, CMS shall consider BR 9372.1.3 fulfilled. (Undeliverable address flag <b>OFF</b> = mail all MSNs to the beneficiary.)					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	
9372.2	Approximately every 6 (six) months, CMS shall provide the VDCs with a fixed block format mainframe file containing a list of all currently undeliverable beneficiary addresses that require their undeliverable address flag to be turned on. The file shall contain the beneficiaries' HICN, name, and address. All the VDCs shall receive the same, complete file. A test file will be provided prior to April 1, 2016. The first live file will be delivered in July 2016. CMS shall provide this list of undeliverable addresses no more than twice per year. (Undeliverable address flag <b>ON</b> = suppress the mailing of non-pay MSNs to the beneficiary.)								CMS, VDCs	
9372.2.1	The undeliverable beneficiary address files shall be provided to the VDCs by CMS, via electronic file transfers (EFT). The detailed file layout is attached to this CR.								CMS, VDCs	
9372.2.2	The Shared Systems shall turn on the undeliverable address flag for all beneficiaries whose HICNs are listed in the undeliverable address file provided to them by CMS. (Undeliverable address flag <b>ON</b> = Shared Systems suppress the mailing of non-pay MSNs to the beneficiary.)					X	X	X		
9372.2.2.1	The Shared Systems shall use only the HICNs listed in the undeliverable address file to identify which beneficiaries' undeliverable address flags they turn on. (Undeliverable address flag <b>ON</b> = Shared Systems suppress the mailing of non-pay MSNs to the beneficiary.)					X	X	X		
<b>9372.2.3</b>	<b>This requirement deleted.</b>									
9372.2.4	When the undeliverable address flag is turned on, it shall stay on until the Common Working File (CWF) sends the Shared Systems an updated address for the respective beneficiary. For example, when a new claim comes through. (Undeliverable address flag <b>ON</b> = Shared Systems suppress the mailing of non-pay MSNs to the beneficiary.)					X	X	X		
9372.2.4.1	If the beneficiary address currently in the system has its undeliverable flag turned on, the flag will be turned off when a claim comes through with an updated address. (Undeliverable address flag <b>OFF</b> = mail all					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	
	MSNs to the beneficiary.)									
9372.3	Shared System software shall allow MACs to turn on the undeliverable address flag in a beneficiary's file. (Undeliverable address flag <b>ON</b> = Shared Systems suppress the mailing of non-pay MSNs to the beneficiary.)					X		X		
9372.4	On a monthly basis, CMS shall provide the VDCs with a list of beneficiaries who have confirmed the addresses on record for them ARE correct and deliverable. CMS shall receive this list from the Customer Service Representatives (CSRs) at the CMS Call Center. CMS expects the number of beneficiaries on the list to be small – no more than 20 per month. The deliverable address file shall contain the beneficiaries' HICN, name, and address. All the VDCs shall receive the same, complete file.								CMS, VDCs	
9372.4.1	The Shared Systems shall turn off the undeliverable address flag for all beneficiaries whose HICNs are listed in the deliverable address file. (Undeliverable address flag <b>OFF</b> = mail all MSNs to the beneficiary.)					X	X	X		
9372.4.2	The deliverable address file shall be transmitted in the same manner and have the same file layout as the undeliverable address file.								CMS, VDCs	
9372.4.3	The Shared Systems shall use only the HICNs listed in the deliverable address file to identify which beneficiaries' undeliverable address flags they turn off. (Undeliverable address flag <b>OFF</b> = mail all MSNs to the beneficiary.)					X	X	X		
9372.5	Turning off a beneficiary's undeliverable address flag shall immediately trigger the regeneration, printing, and mailing of all the respective beneficiary's suppressed non-pay MSNs, back to the date the suppression flag was turned on. (Undeliverable address flag <b>OFF</b> = mail all MSNs to the beneficiary.)					X		X		
9372.6	All MACs shall shred and dispose of any non-pay uMSNs they are currently storing, as well as any future non-pay uMSNs they receive.	X	X	X	X				RRB-SMAC	
9372.6.1	All MACs shall determine and execute a non-pay uMSN destruction schedule compatible with their	X	X	X	X				RRB-SMAC	

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	
	current (respective) business operations.									

### 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		
	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):** Cindy Ardissonne, 410-786-7410 or [cynthia.ardissone@cms.hhs.gov](mailto:cynthia.ardissone@cms.hhs.gov), Scott Schiller, 410-786-4514 or [scott.schiller@cms.hhs.gov](mailto:scott.schiller@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: 2**

## CR 9372 – Layout for Undeliverable and Deliverable Files

We will use the MBD Derived Mailing address. It's the best approach because it scans and parses the address into separate fields before scrubbing. Even if the address does not scrub, the fields are still parsed. Below is the layout of the MBD Monthly Mass Mailing. The address lines are length 40. The Beneficiary Name length 40 on the MBD layout is not significant because >99% of the EDB Beneficiary Name is stored with no more than 25 bytes.

This is still a fixed block file. The address stored in MBD may have the beneficiary name spilled into the address blocks. This happens when the address does not scrub, and either of the following are true: there is a Rep Payee or SSA has sent part of the beneficiary name in the address field.

If the address scrubs, MBD removes the Rep Payee Name and the Beneficiary Name, and they are not stored on MBD. However, the MBD Monthly Mass Mailing program customizes the field mapping, and includes the Rep Payee Name and Beneficiary Name in the address fields, on the mail file. The custom programming is optional. OC can get the scrubbed address "as is," without the names. See attached Appendix B for more details.

Source of Data	Data Element Name	Length	Position	Format	Comments
CME Beneficiary. Beneficiary Representative Payee Name	MBD Rep Payee Name	40	1 – 40	CHAR	
CME Beneficiary Name. Beneficiary First Name, Beneficiary Middle Name, Beneficiary Last Name	MBD Bene Name	40	41 – 80	CHAR	See Appendix A for mapping.
	MBD Address Line 1	40	81 – 120	CHAR	See Appendix B for Address Line 1-6 mapping.
	MBD Address Line 2	40	121 – 160	CHAR	
	MBD Address Line 3	40	161 – 200	CHAR	
	MBD Address Line 4	40	201 – 240	CHAR	
	MBD Address Line 5	40	241 – 280	CHAR	
	MBD Address Line 6	40	281 – 320	CHAR	
CME Beneficiary Derived Mailing Address. Beneficiary Derived Mailing Address City Name	MBD City	26	321 – 346	CHAR	
	Filler	1	347	CHAR	

Continued on next page →

Source of Data	Data Element Name	Length	Position	Format	Comments
CME Beneficiary Derived Mailing Address. Beneficiary Derived Mailing Address Postal State Code	MBD Postal State Code	2	348 – 349	CHAR	
	Filler	1	350	CHAR	
CME Beneficiary Derived Mailing Address. Beneficiary Derived Mailing Address Zip Code or EDB Zip Code	MBD Zip Code	10	351 – 360	CHAR	Use the EDB Zip Code when the Derived Mailing Address Scrub Switch is 'N'.
EDB Mass Mailing Input File or EDB Zip HICN Input File	HICN Code	14	361 – 374	CHAR	See SR-8 and SR-9 for criteria
	Filler	45	375 – 419	CHAR	



## Appendix A – Beneficiary Name Mapping Rules

1. When the length of the combined Beneficiary First Name, the first position of the Beneficiary Middle Name, and Beneficiary Last Name is less than or equal to 40, map MBD Bene Name as:
  - Beneficiary First Name
  - Space
  - Beneficiary Middle Name (1:1)
  - Space
  - Beneficiary Last Name
  
2. When the length of the combined Beneficiary First Name, the first position of the Beneficiary Middle Name, and Beneficiary Last Name is greater than 40, and the Beneficiary Last Name is greater than 36 characters, map MBD Bene Name as:
  - Beneficiary First Name (1:1)
  - Space
  - Beneficiary Last Name (1:38)
  
3. When the length of the combined Beneficiary First Name, the first position of the Beneficiary Middle Name, and Beneficiary Last Name is greater than 40, and the Beneficiary Last Name is less than or equal to 36 characters, map MBD Bene Name as:
  - Beneficiary First Name(1:remaining positions)
  - Space
  - Beneficiary Middle Name (1:1)
  - Space
  - Beneficiary Last Name (all positions)
  
4. When the Beneficiary Middle Name is spaces, and the length of the combined Beneficiary First Name and the Beneficiary Last Name is greater than 40, and the Beneficiary Last Name is less than or equal to 36 characters, map MBD Bene Name as:
  - Beneficiary First Name (1:remaining positions)
  - Space
  - Beneficiary Last Name (all positions)

## Appendix B – Address Line 1-6 Mapping

1. When Beneficiary Representative Payee Switch= ‘Y’ and Beneficiary Derived Mailing Scrub Switch = ‘Y’:
  - MBD Address Line 1 contains Beneficiary Representative Payee Name,
  - MBD Address Line 2 contains Beneficiary Name,
  - MBD Address Line 3 contains Derived Mailing Address Line1,
  - MBD Address Line 4 contains Derived Mailing Address Line 2 if exists. If Line 2 does not exist, Line 4 contains City Name and Postal State Code, and MBD Address Line 5 and MBD Address Line 6 contain spaces,
  - MBD Address Line 5 contains Derived Mailing Address Line 3 if exists. If Line 3 does not exist, Line 5 contains City Name and Postal State Code, and MBD Address Line 6 contains spaces.
  - MBD Address Line 6 contains City Name and Postal State Code.
  
2. When Beneficiary Representative Payee Switch = ‘Y’ and Beneficiary Derived Mailing Scrub Switch = ‘N’:
  - MBD Address Line 1 contains EDB Address Line 1,
  - MBD Address Line 2 contains EDB Address Line 2,
  - MBD Address Line 3 contains EDB Address Line 3,
  - MBD Address Line 4 contains EDB Address Line 4,
  - MBD Address Line 5 contains EDB Address Line 5,
  - MBD Address Line 6 contains EDB Address Line 6.
  
3. When Beneficiary Representative Payee Switch = ‘N’ and Beneficiary Derived Mailing Scrub Switch = ‘Y’:
  - MBD Address Line 1 contains Beneficiary Name,
  - MBD Address Line 2 contains Derived Mailing Address Line1,
  - MBD Address Line 3 contains Derived Mailing Address Line 2 if exists. If Line 2 does not exist, Line 3 contains City Name and Postal State Code,
  - MBD Address Line 4 contains Derived Mailing Address Line 3 if exists. If Line 3 does not exist, Line 4 contains City Name and Postal State Code, and MBD Address Line 5 and MBD Address Line 6 contain spaces,
  - MBD Address Line 5 contains Derived Mailing Address Line 4 or City Name and Postal State Code or spaces, and MBD Address Line 6 contains spaces,
  - MBD Address Line 6 contains City Name and Postal State Code.
  
5. When Beneficiary Representative Payee Switch = ‘N’ and Beneficiary Derived Mailing Scrub Switch = ‘N’:
  - MBD Address Line 1 contains Beneficiary Name,
  - MBD Address Line 2 contains EDB Address Line 1,
  - MBD Address Line 3 contains EDB Address Line 2,
  - MBD Address Line 4 contains EDB Address Line 3,
  - MBD Address Line 5 contains EDB Address Line 4,
  - MBD Address Line 6 contains EDB Address Line 5.