CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1720	Date: September 23, 2016
	Change Request 9662

Transmittal 1697, dated August 5, 2016, is being rescinded and replaced by Transmittal 1720 to make explicit that this CR is limited to '11H' TOB. All other information remains the same.

SUBJECT: Reporting of All Recovery Auditor-Initiated Claim Adjustments and their Subsequent Adjustments for Periodic Interim Payment (PIP) Facilities

I. SUMMARY OF CHANGES: The purpose of this Change Request is to ensure that Recovery Auditor-initiated adjustments to PIP claims and their subsequent adjustments are accurately recorded on the Provider Statistical & Reimbursement (PS&R) report.

EFFECTIVE DATE: January 1, 2017

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

IMPLEMENTATION DATE: January 3, 2017

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	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: 1720 Date: September 23, 2016 Change Request: 9662

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SUBJECT: Reporting of All Recovery Auditor-Initiated Claim Adjustments and their Subsequent Adjustments for Periodic Interim Payment (PIP) Facilities

EFFECTIVE DATE: January 1, 2017

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IMPLEMENTATION DATE: January 3, 2017

I. GENERAL INFORMATION

A. Background: CR 7601 (Transmittal 977) was issued in October 2011, with an implementation of April 2, 2012 and an effective date of April 1, 2012, instructing the Fiscal Intermediary Shared System (FISS) to develop a process for sending Recovery Auditor-initiated Periodic Interim Payment (PIP) claim adjustments to the Healthcare Integrated General Ledger Accounting System (HIGLAS) via the 837 interface. Due to issues with the process, a workgroup was formed in the spring of 2013 to ensure that adjustments were transmitting from FISS to HIGLAS and that transmitted adjustment amounts were accurate. In the summer of 2014, CMS was alerted that this process was specific to 11X bill types, and all other bill types for PIP providers were placed on hold. The purpose of this Change Request is to ensure that all Recovery Auditor-initiated adjustments (11H) to PIP claims and their subsequent adjustments are being correctly reported on the Provider Statistical & Reimbursement (PS&R) Report.

B. Policy: Section 302 of the Tax Relief Act and Health Care Act of 2006.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility												
			A/B		D		Sha	red-		Other				
		MAC		MAC		MAC		MAC M		M System				
					Е	M	aint	aine	ers					
		A	В	Н		F	M	V	C					
				Н	M	I	C	M	W					
				Н	A	S	S	S	F					
					C	S								
9662.1	FISS shall create an indicator to identify hospital PIP					X								
	claims that should be paid as cash (the provider													
	reimbursement amount as reported on page 10 of the													
	claim).													
	NOTE : For PIP providers, the provider													
	reimbursement amount will be used and not just the													
	add-on payment amounts when processing all													
	adjustments, not just Recovery Audit Contractor													
	(RAC) adjustments.													
	(Tate) adjustments.													
9662.1.1	FISS shall create a one-byte A/N on the claim record					X								
	to set the PIP Pay as Cash indicator.													

Number	Requirement	Responsibility									
		A/B MAC				D M E		Sha Systaint	tem		Other
		A	В	H H H	M A C	F	M C S		C		
9662.1.2	FISS shall note the valid values are 'Y' and blank.					X					
9662.1.3	FISS shall display the indicator on the online claim and DDE screens. The field will be protected.					X					
9662.1.4	FISS shall set the flag to 'Y' when the provider payment method is PIP and the Adjustment Reason Code = RI for a RAC adjustment. TOB frequency must = '11H'. This field will not be overlaid in creating subsequent adjustments.					X					
9662.1.5	FISS shall ensure that both the debit and the credit record of the initial RAC adjustment continue to process as non-PIP.					X					
9662.1.6	FISS shall set the tape-to-tape flag to 'A' on the debit and credit record to the first adjustment cross-referenced to the initial RAC adjustment. This adjustment shall also have the PIP Pay as Cash indicator already set to a Y.					X					
9662.1.7	FISS shall set the tape-to-tape flag to 'A' on all subsequent adjustments as long as the PIP Pay as Cash indicator = Y.					X					
9662.1.8	FISS shall add the new indicator to the suppressed reports MAFD8342R01 (Accounts Payable) and MAFD8343R01 (Accounts Receivable).					X					
9662.1.9	FISS shall set the tape-to-tape flag to 'A' and the PIP Pay as Cash Indicator to Y if the record being adjusted is for a PIP provider, has an RI as the adjustment reason code, TOB = '11H', and a blank in the PIP Pay as Cash Indicator.					X					
9662.2	HIGLAS shall define a new Sub Invoice Type 'M4_PIP_Claim'to identify the Manual Claim invoices. This Sub Invoice Type should be available for both payable and receivable invoices.									HIGLAS	
9662.2.1	MAC shall use Account Payment and Receivable Invoice number for formatting the digits only of the suppressed adjusted claim number along with the number of A's present at the end of the FISS adjustment number.	X									

Number	Requirement	R	esno	nsi	hilit	v										
rumber	Requirement							Responsibility A/B D Shared						rad		Other
			MA(M					Oulei						
		I	VIA	_			Sys									
					Е		aint									
		A	В	Н	3.4	F	M									
				Н		_	C									
				Н	A	~	S	S	F							
					C	S										
	NOTE: The Account Payable or Receivable Invoice															
	number shall be based on the claim number of the															
	suppressed adjustment.															
9662.3	MAC shall enter the Manual payable invoice for	X														
	suppressed adjustment in HIGLAS using the below															
	field values:															
	Type: Standard															
	Invoice Number:															
	AP Invoice amount:															
	CPT Interest Indicator DFF: DC															
	Invoice Type DFF: MANUAL															
	71															
	Sub Invoice Type DFF: 'M4_PIP_Claim'															
	Shared System Reason Code:															
	Shared System Discovery Code:															
	·															
9662.4	MAC shall enter the Manual receivable invoice for	X														
	suppressed adjustment in HIGLAS using the below															
	field values:															
	11010 (012000)															
	Class: Invoice															
	Classi in voice															
	AR Transaction Amount:															
	AR Transaction/Invoice Number:															
	THE Transaction invoice (value).															
	Transaction Type:															
	Transaction Type.															
	Reference: mother claim number															
	Teresonee, modier claim namoer															
	Transaction DFF: claim number field for mother claim															
	number															
	namoo															
	Context Value: Manual															
	Content value. Irialiaai															
	Invoice Type DFF: MANUAL															
	mirotee Type DIT. Minitoria															
	Sub Invoice Type DFF: 'M4_PIP_Claim'															
		<u> </u>	<u> </u>				l		l							

Number	Requirement	Re	espo	nsi	bilit	y										
		A/B						D		Sha	red-		Other			
		MAC			MAC			MAC			M		Sys			
											Е	Maintainers				
		A	В	Н	M	F	M		C							
				H H	A	I S	C S	M S	W F							
				11	C	S	3	ט	1							
	Reason Code:															
	Discovery Code:															
	Patient Account Number:															
	ID: Provider or Beneficiary DFF: < appropriate value >															
	Name: Provider or Beneficiary DFF: < appropriate value >															
	Date of Service From DFF: < appropriate value >															
	Date of Service To DFF: < appropriate value >															
	Type of Bill:															
	NOTE : MAC shall enter any other Descriptive Flexfield (DFF) that is required for demand letters.															
9662.5	HIGLAS shall enable the below Descriptive Flexfield (DFF) for Manual Context on receivable invoice.									HIGLAS						
	ID: Provider or Beneficiary															
	Name: Provider or Beneficiary															
9662.6	HIGLAS shall validate the required DFF fields are entered for the Sub Invoice Type 'M4_PIP_Claim' on the receivable invoice:									HIGLAS						
	Patient Control Number DFF															
	ID: Provider or Beneficiary DFF															
	Name: Provider or Beneficiary DFF															
	Date of Service From DFF															
	Date of Service To DFF															
	Reason Code DFF															
	Discovery Code DFF															
	CT Reference, which is within the Transaction DFF.															

Number	nber Requirement Responsibility									
			A/B	3	D M			red-		Other
		ľ	MAC M E				•	tem aine		
		A	В	H H		F I	M C	V M	C W	
				Н	A	S	S	S	F	
					С	S				
9662.6.1	HIGLAS shall validate the required DFF field 'Shared System Reason Code' is entered for the Sub Invoice Type 'M4_PIP claim' on the payable invoice.									HIGLAS
9662.6.2	HIGLAS shall place an edit to not allow the use of Sub Invoice Type 'M4_PIP claim' for the Part B Organization.									HIGLAS
9662.7	HIGLAS shall make configuration change to reflect these Manual Claim invoices in IBPR report Line 2A, using the new Sub Invoice Type 'M4_PIP_Claim'.									HIGLAS
9662.8	HIGLAS shall consider these manual claim payable invoices as manual payment and shall report with 'M4' PLB Code on the HIGLAS 835 Interface.					X				HIGLAS
9662.9	The Provider Statistical & Reimbursement (PS&R) Reporting System shall accept a new field that identifies the payment method (PIP or Cash) for claims submitted by PIP providers.									PS&R
9662.10	The PS&R System shall report separately the payments/recoupments to/from a PIP provider on a PIP basis (e.g., Outliers for a claim paid under PIP) and payments/recoupments made to/from a PIP provider on a cash basis (e.g., Net Reimbursement for a RAC recouped claim) per the payment method identified by the new field.									PS&R
9662.11	The PS&R System shall base the payment method for a credit record for a PIP claim on the value in the new field for the paired debit record. The values of the initial RAC credit mirror the preceding debit in FISS, which means it does not have the RI Adjustment Reason Code, nor the new indicator that the adjustment should be treated as a cash transaction. In order to capture that the entire adjustment is being treated as a cash transaction, PS&R must look to the debit record to determine how to account for the credit record's payment basis.									PS&R

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility

		A/B MA(D	С
	1	MAC	\mathbb{C}	M	Е
				Е	D
	Α	В	Н		I
			Н	M	
			Н	Α	
				C	
None					

IV. SUPPORTING INFORMATION

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

"Should" denotes a recommendation.

X-Ref	Recommendations or other supporting information:
Requirement	
Number	

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

V. CONTACTS

Pre-Implementation Contact(s): Ashley Ford, 410-786-0828 or Ashley.Ford@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