

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1754	Date: November 18, 2016
	Change Request 9853

SUBJECT: Common Working File and Fraud Prevention System 2.0 Predictive Modeling and Edits, Data Feed Migration

I. SUMMARY OF CHANGES: There are no changes to the existing CWF – FPS 1.0 interface. Copybook layouts will not change. The intent of this change is to facilitate file exchange between CWF and FPS 2.0. Initially, FPS 2.0 would like to receive a duplicate, or “forked” copy of the current FPS 1.0 files being sent for both UAT and Production.

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

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IMPLEMENTATION DATE: January 3, 2017

I. GENERAL INFORMATION

A. Background: The loss of taxpayer dollars through waste, fraud, and abuse drives up health care costs. CMS is pursuing an aggressive program integrity strategy that will prevent fraudulent transactions from occurring, rather than simply tracking down fraudulent providers and pursuing fake claims. CMS' program integrity mission also encompasses the operations and oversight necessary to ensure that CMS makes accurate payments to legitimate providers and suppliers for appropriate, reasonable, and necessary services and supplies for eligible Medicare beneficiaries. Reversing the traditional pay-and-chase approach to program integrity is the main goal of the National Fraud Prevention Program (NFPP), a long-term, sustainable approach that incorporates innovative technologies in integrated solutions. The NFPP is being implemented by the Center for Program Integrity (CPI), the CMS component that is accountable for the prevention and detection of fraud, waste, abuse and other improper payments under the Medicare and Medicaid programs.

The FPS 2.0 application is being developed as a replacement to the existing FPS 1.0 system, with a goal of providing a modern, adaptable, and efficient framework on the identification and development of both pre-pay edits and model-based fraud detection. The FPS 2.0 application will be responsible for the CWF interface with the CPI NFPP program. This CR is being opened in order to (a) conduct initial analysis between CWF and FPS 2.0 to determine the most efficient method for cutover and testing between FPS 1.0 and FPS 2.0 with respect to the CWF interface, (b) establish connectivity and file transfer capability between CWF and the FPS 2.0 Electronic File Transfer landing zone at the HP Tulsa Data Center, (c) facilitate testing between CWF and FPS 2.0 while continuing to support FPS 1.0, and (d) coordinate the go-live of FPS 2.0 and the transition of FPS 1.0 with CWF.

B. Policy: Section 4241 of the Small Business Jobs Act of 2010 (Public Law 111-240) mandates the use of predictive modeling and other analytic technologies to identify and prevent fraud, waste, and abuse in the Medicare FPS program. The system implemented through this legislation has significant potential to improve CMS' ability to prevent payment of fraudulent claims. These tools have been used successfully in the financial and telecommunication sectors and have applicability to Medicare. The legislation requires the program to be in place by July 1, 2011.

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		M A C	F I S S	M C S	V M S		C W F
9853.1	CWF shall send all claims currently set to FPS 1.0 to FPS 2.0 for parallel processing. NOTE: Claim and Response Record layout will be identical for FPS 1.0 and FPS 2.0. Response files will only come from one system. CWF will not receive duplicate reply files.										CWF Host, STC
9853.2	CWF and FPS 2.0 shall establish file transfer capability between systems.										CWF Host, STC
9853.3	CWF and FPS 2.0 shall coordinate the manual changeover from FPS 1.0 to FPS 2.0 as the system responsible for generating and sending response files in Beta/UAT.										CWF Host, STC
9853.4	CWF and FPS 2.0 shall coordinate the manual changeover from FPS 1.0 to FPS 2.0 as the system responsible for generating and sending response files in Production.										CWF Host
9853.5	CWF shall make any necessary modifications to the FPS balancing software to ensure that claims sent to and denials received from FPS 1.0 OR FPS 2.0 are accounted for on a daily basis.										CWF Host, STC

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility						
		A/B MAC			D M E	C M E D I		
		A	B	H H H			M A C	
	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:
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Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Anne Wood, 410-786-4739 or anne.wood@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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ATTACHMENTS: 0