

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-06 Medicare Financial Management	Centers for Medicare & Medicaid Services (CMS)
Transmittal 156	Date: AUGUST 7, 2009
	Change Request 6582

SUBJECT: Recovery Audit Contractors

I. SUMMARY OF CHANGES: This Change Request updates section 100.2, which provides direction to the Medicare contractors involving the communication process with the RACs.

NEW / REVISED MATERIAL

EFFECTIVE DATE: September 8, 2009

IMPLEMENTATION DATE: September 8, 2009

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
R	4/100/100.2/Communication with the RACs

III. FUNDING:

SECTION A: For Fiscal Intermediaries and Carriers:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

SECTION B: 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:

**Business Requirements
Manual Instruction**

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

Attachment – Business Requirements

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SUBJECT: Recovery Audit Contractors

EFFECTIVE DATE: September 8, 2009

IMPLEMENTATION DATE: September 8, 2009

I. GENERAL INFORMATION:

A. Background: This Change Request updates section 100.2, which provides direction to the Medicare contractors involving the communication process with the RACs.

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

II. BUSINESS REQUIREMENTS TABLE:

Use "Shall" to denote a mandatory requirement

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A / B M A C	D M M A C	F I M A C	C A R I E R	R H R I E S	Shared-System Maintainers				OTH ER	
		F I S S	M I C S	V M S	C M S	W F						
6582.1	Contractors shall provide the RAC with a provider listing on CD or DVD of all provider numbers, names, addresses, and tax identification numbers.		X	X	X	X						

III. PROVIDER EDUCATION TABLE:

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A / B M A C	D M M A C	F I M A C	C A R I E R	R H R I E S	Shared-System Maintainers				OTH ER	
		F I S S	M I C S	V M S	C M S	W F						
	None											

IV. SUPPORTING INFORMATION:

Section A: For any recommendations and supporting information associated with listed requirements, use the box below:

Use "Should" to denote a recommendation.

	None

Section B: For all other recommendations and supporting information, use this space:

V. CONTACTS:

Pre-Implementation Contact(s): Carlos Montoya (410) 786-6040 carlos.montoya@cms.hhs.gov

Post-Implementation Contact(s): Carlos Montoya (410) 786-6040 carlos.montoya@cms.hhs.gov

VI. FUNDING:

Section A: For *Fiscal Intermediaries (FIs), Carriers, and Regional Home Health Intermediaries (RHHIs)*:

No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

Section B: 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

100.2 - Communication with the RACs

(Rev. 156; Issued: 08-07-09; Effective/Implementation Date: 09-08-09)

A. RAC Staff:

When Contractors have questions regarding the RAC National Program or their interaction with a RAC, they should contact the CMS RAC Project Officer or applicable RAC contact.

B. RAC Points of Contact (POC):

All contractors shall provide the CMS RAC Project Officer with the name, phone number, address, fax number, and email address of a primary point of contact (POC) and an alternate POC. The point of contact or alternate will be responsible for all communications with the CMS Project Officer and/or RAC. The POC will be contacted to handle overpayment issues such as offsets, status of overpayment collections, and referrals to the Department of Treasury and other questions involving suppression cases, provider address information, status of claim adjustments and status of appeals. In addition, the contractor shall provide the CMS RAC Project Officer with the name, phone numbers, addresses, fax number and email address of a vulnerability POC to handle such issues as local edits, prepay claim reviews, provider education and LCD's and other corrective actions

C. Applications to Assist Communication:

An online Data Warehouse has been developed to track Non-MSP overpayments and underpayments identified by the RAC. For access to the RAC Data Warehouse, email the Central Office contact at rac@cms.hhs.gov

D. RAC/AC Communication:

All Contractors shall work with the RAC to develop a communication process. This process shall be flexible and shall be reached by a mutual agreement. CMS has several items to assist in the communication efforts:

- RAC Data Warehouse
- Indicator code for RAC identified overpayments; and
- System generated flat file of all A/R transactions on a daily basis.
- Mass adjustment process for FISS
- CMS Secure Email

NOTE: Unless prior approval has been given by CMS, Personal Health Information (PHI) shall not be transferred over the internet, (this includes email). PHI may be transmitted via fax, telephone, mail pager, or CMS secure e-mail.

E. Joint Operating Agreement (JOA):

All Contractors shall develop a JOA with each RAC in their jurisdiction. The JOA shall be approved by all contractors, by the RAC, and by CMS prior to its effective date. The JOA shall cover all requirements in Pub.100-06, Chapter 4, 100, but may expand upon those requirements and may provide alternative time frames. The JOA shall include communication processes and time frames for adjustments, recoupments, appeals, inquires and receipt of provider names and addresses.

F. Provider *Information*:

All Contractors shall provide the RAC with a provider listing of all provider numbers, names, *addresses and tax identification numbers*. This listing shall be placed on a CD or DVD and shall be retrieved from the AC's internal system. If available, the RAC and Contractor may utilize the MDCN lines to transfer the file. At a minimum, the contractor shall update the list every 6 months. The method of transfer and the number of transfers per year shall be included in the JOA.