

Incarcerated Beneficiary Claim Denial Frequently Asked Questions

RESOLUTION TIMEFRAME

Q1: How is CMS resolving the claims denial issues associated with the June and July 2013 incarcerated beneficiaries data?

A1: The resolution of this situation will require a series of complex actions including the restoration of the original data on the Medicare Enrollment Data Base, the identification of the overpayments that will need to be abated or refunded, and the creation of claims processing system utilities to effectuate the necessary changes. We do not yet have a firm target date, but anticipate that the process will not be completed before October. We will advise you as additional information becomes available.

Last updated 7-31-13

APPEALS

Q1: Can I appeal the denied claim? Who is liable for the denied claim?

A1: Yes, providers and beneficiaries can appeal the denied claims, including those that are not adjusted by Medicare as part of its reprocessing activities. Liability for the denied claims will be determined for each claim on a case by case basis.

Last updated 7-31-13

Q2: Will CMS allow good cause for late filing of an appeal based upon the CMS guidance not to file an appeal?

A2: If a provider submits a late appeal request related to the claim denial issues associated with incarcerated beneficiaries, the provider should explain the reason for the delay. Incorrect information from CMS or its contractors about when or how to file an appeal request is an example of good cause for CMS to waive the appeal deadline. CMS will instruct contractors to process these late appeal requests consistent with the good cause policy.

Last updated 7-31-13

RECOUPMENTS

Q1: Do providers need to take any steps to be repaid for incorrect recoupments resulting from this issue?

A1: For this issue, CMS is developing an automated process to identify and reprocess the claims that may have been denied in error. Providers will not have to resubmit claims. Once

the process is finalized and the timeframes for reprocessing are available, CMS will share this information.

Last updated 7-31-13

Q2: Will Medicare repay the recoupments with interest?

A2: CMS is working to determine when it would be appropriate to pay interest on recoupments taken related to this issue

Last updated 7-31-13

Q3: The due date for repaying is fast approaching. Should I repay or appeal?

A3: Until CMS issues instructions to the contrary, you should respond to the demand letter following your normal procedures (i.e., repay the debt or appeal.)

Last updated 7-31-13

Q4: What happens to corrections of recoupments that occur after a new MAC has taken over a jurisdiction? (CMS is currently in the process of transitioning workload to Jurisdiction 6, Jurisdiction E and Jurisdiction K MACs.)

A4: All claims and accounts receivables will transfer to the incoming MAC.

Last updated 7-31-13

Q5: Can I request an Advanced/Accelerated Payment?

A5: Providers who request advanced/accelerated payments related to this issue must meet the requirements for Accelerated or Advanced payments and should follow the usual procedures for requesting such payments through their MAC.

Last updated 7-31-13

PROVIDER INITIATED DATA CORRECTION

Q1: What will the CMS Regional Offices do with the information that I faxed to them?

A1: CMS is working to quickly identify all claims affected by our recent recovery actions and will take steps, as appropriate, to correct any inappropriate overpayment recoveries. Given that CMS will correct this issue systematically, the CMS Regional Offices will not take any action on the individual cases faxed to them by providers. Moreover, we ask that providers discontinue faxing lists to CMS Regional Offices. Please watch for further instructions that will be issued soon via the CMS eNews and MAC websites.

Last updated 7-31-13

AVAILABLE AUTOMATED INFORMATION

Q1: How can providers access automated information about a beneficiary's period of incarceration?

A2: The CMS automated systems do not provide specific information about a beneficiary's incarceration status. When a provider makes a 270/271 eligibility query in the HIPAA Eligibility Transaction System (HETS), if the response indicates that the beneficiary is in an inactive status, it is an indication that the beneficiary may be incarcerated. The response does provide the dates for the period of inactivity. The HETS response does not provide information specifying the reason for the period of ineligibility.

This same information is available through the MACs' interactive voice response units and provider internet portals.

If a provider calls the MAC's provider contact center, the agents will tell the provider if the Social Security records indicate that this patient was in custody when the service was rendered and that Medicare does not cover items and services furnished to an individual while they are in state or local custody under a penal authority.

Last updated 7-31-13

BENEFICIARY INFORMATION

Q1: How are beneficiaries being notified about the recent incarceration data issues?

A1: CMS plans to send a letter to all affected beneficiaries in August 2013 that explains the policy and the periods of time during which claims were impacted.

Last updated 7-31-13