

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



News Flash -

REVISED product from the Medicare Learning Network® (MLN)

- [“Contractor Entities At A Glance: Who May Contact You About Specific Centers for Medicare & Medicaid Services \(CMS\) Activities,”](#) Educational Tool, ICN 906983, Downloadable only.

MLN Matters® Number: MM8019

Related Change Request (CR) #: CR 8019

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Related CR Transmittal #: R435PI

Implementation Date: November 20, 2012

General Update to Chapter 15 of the Program Integrity Manual (PIM) - Part IX

Provider Types Affected

This MLN Matters® Article is intended for physicians, providers, and suppliers submitting claims to Medicare contractors (Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), carriers and A/B Medicare Administrative Contractors (MACs)) for services to Medicare beneficiaries.

What You Need to Know

This article is based on Change Request (CR) 8019, which updates Chapter 15 of the Medicare Program Integrity Manual (PIM). That chapter deals with Medicare provider enrollment. The majority of the revisions are editorial in nature. However, there are several policy updates in this CR related to:

- Correspondence addresses;
- Out-of-state practice locations;
- Submission of Change of Ownership (CHOW) applications after an initial or CHOW application has been submitted; and
- The scope of revocations and re-enrollment bars.

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Make sure that your enrollment staffs are aware of these manual updates. See the Background Section for more details on the policy changes.

Background

The key changes made to Chapter 15 of the PIM are as follows:

Correspondence Addresses

The correspondence address must be one where the Medicare contractor can contact the applicant to resolve any issues once the provider is enrolled in the Medicare program. It can be any address the provider chooses, including that of a billing agency, management services organization, chain home office, or the provider's representative (e.g., attorney, financial advisor). The provider, however, remains ultimately responsible for all Medicare enrollment-related correspondence that the contractor sends to him/her/it at this address. For instance, if a provider uses its chain home office as the correspondence address, the provider is still the party responsible for replying to revalidation letters, requests for information, etc.

Also, an e-mail address listed on your enrollment application can be a generic e-mail address. It need not be that of a specific individual. Note that the contractor may accept a particular e-mail address if it has no reason to suspect that it does not belong to or is not somehow associated with the provider.

Out-of-State Practice Locations – Form CMS-855A

If a provider is adding a practice location in another State that is within the provider's current contractor's jurisdiction, a separate, initial Form CMS-855A enrollment application is not required if the following 5 conditions are met:

- The location is not part of a separate organization (e.g., a separate corporation, partnership);
- The location does not have a separate Tax Identification Number (TIN) and Legal Business Name (LBN);
- The State in which the new location is being added does not require the location to be surveyed;
- The applicable Medicare Regional Office (RO) does not require the new location or its owner to sign a separate provider agreement; and
- The location is not a Federally Qualified Health Center (FQHCs are required to separately enroll each site).

Consider the following examples:

1. The Medicare contractor's jurisdiction consists of States X, Y and Z. Jones Skilled Nursing Facility (JSNF), Inc., is enrolled in State X with 3 sites. It wants to add a fourth site in State Y. The new site will be under JSNF, Inc. JSNF will not be establishing a separate corporation, LBN or TIN for the site, and - per the State and RO - a separate survey and provider agreement are not necessary. Since all 5 conditions above are met, JSNF can add the fourth location via a change of information request, rather than an initial application. The change

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request must include all information relevant to the new location (e.g., licensure, new managing employees). To the extent required, the contractor shall create a separate Provider Enrollment, Chain, and Ownership System (PECOS) enrollment record for the State Y location.

2. The contractor's jurisdiction consists of States X, Y and Z. JSNF, Inc., is enrolled in State X with 3 locations. It wants to add a fourth location in State Y but under a newly created, separate legal entity - JSNF, LP. The fourth location must be enrolled via a separate, initial Form CMS-855A.
3. The contractor's jurisdiction consists of States X, Y and Z. Jones Hospice (JH), Inc., is enrolled in State X with 1 location. It wants to add a second location in State Z under JH, Inc. However, it has been determined that a separate survey and certification of the new location are required. A separate, initial Form CMS-855A for the new location is required.

Out-of-State Practice Locations – Form CMS-855B

If a supplier is adding a practice location in another State that is within the contractor's jurisdiction, a separate, initial Form CMS-855B enrollment application is not required if the following 5 conditions are met:

- The location is not part of a separate organization (e.g., a separate corporation, partnership);
- The location does not have a separate Tax Identification Number (TIN) and Legal Business Name (LBN);
- The State in which the new location is being added does not require the location to be surveyed;
- The applicable RO does not require the new location or its owner to sign a separate supplier agreement; and
- The location is not an Independent Diagnostic Testing Facility (IDTFs are required to separately enroll each site).

Consider the following examples:

1. The contractor's jurisdiction consists of States X, Y and Z. Jones Group Practice (JGP), Inc., is enrolled in State X with 3 locations. It wants to add a fourth location in State Y. The new location will be under JGP, Inc. JGP will not be establishing a separate corporation, LBN or TIN for the fourth location. Since there is no State or RO involvement with group practices, all 5 conditions are met. JGP can add the fourth location via a change of information request, rather than an initial application. The change request must include all information relevant to the new location (e.g., licensure, new managing employees). To the extent required, the contractor shall create a separate enrollment record in the Provider Enrollment, Chain, and Ownership System (PECOS) for the State Y location.
2. The contractor's jurisdiction consists of States X, Y and Z. Jones Group Practice (JGP), Inc., is enrolled in State X with 3 locations. It wants to add a fourth location in State Y, but under

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- a newly created, separate entity - Jones Group Practice, LP. The fourth location must be enrolled via a separate, initial Form CMS-855B.
3. The contractor's jurisdiction consists of States X, Y and Z. Jones Group Practice (JGP), Inc., is enrolled in State X with 3 locations. It wants to add a fourth location in State Q. Since State Q is not within the contractor's jurisdiction, a separate initial enrollment for the fourth location is necessary.
 4. The contractor's jurisdiction consists of States X, Y and Z. Jones Ambulatory Surgical Center (JASC), Inc., is enrolled in State X with 3 locations. It wants to add a fourth location in State Z under JASC, Inc. However, it has been determined that a separate survey and certification of the new site are required. A separate, initial Form CMS-855B is therefore necessary.

Out-of-State Practice Locations – Form CMS-855I

If a supplier is adding a practice location in another State that is within the contractor's jurisdiction, a separate, initial Form CMS-855I enrollment application is not required if the following conditions are met:

- The location is not part of a separate organization (e.g., a separate solely-owned corporation), and
- The location does not have a separate Tax Identification Number (TIN) and Legal Business Name (LBN).

Consider the following examples:

1. The contractor's jurisdiction consists of States X, Y and Z. Dr. Jones, a sole proprietor, is enrolled in State X with 2 locations. He wants to add a third location in State Y under his social security number and his sole proprietorship's employer identification number. He can add the third location via a change of information request, rather than an initial application. The change request must include all information relevant to the new location (e.g., licensure). To the extent required, the contractor shall create a separate PECOS enrollment record for the State Y location.
2. The contractor's jurisdiction consists of States X, Y and Z. Dr. Jones, LLC (a solely-owned limited liability company) is enrolled in State X with 2 locations. Dr. Jones wants to add a third location in State Y but as a sole proprietorship, not as part of Dr. Jones, LLC. Since the new location is not part of the same organizational entity, it must be enrolled via a separate, initial Form CMS-855I.

Submission of CHOW Applications after an Initial or CHOW Application has been Submitted

(This section does not apply to Home Health Agencies)

In situations where (1) the provider submits a Form CMS-855A initial application or CHOW application and (2) a Form CMS-855A CHOW application is subsequently submitted but before the Medicare contractor has received the tie-in notice from the RO, the contractor shall abide by the following:

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- Situation 1 – The provider submitted an initial application followed by a CHOW application, and a recommendation for approval has not yet been made with respect to the initial application – The contractor shall reject both applications and require the provider to re-submit an initial application with the new owner's information.
- Situation 2 – The provider submitted a CHOW application followed by another CHOW application, and a recommendation for approval has not been made for the first application – The contractor shall process both applications – preferably in the order in which they were received – and shall, if recommendations for approval are warranted, refer both applications to the State/RO in the same package. The accompanying notice/letter to the State/RO shall explain the situation.
- Situation 3 – The provider submitted an initial application followed by a CHOW application, and a recommendation for approval of the initial application has been made – The contractor shall:
 1. Reject the CHOW application.
 2. Notify the State/RO via letter (sent via mail or e-mail) that there has been a change of ownership (the new owner should be identified) and that the contractor will be requiring the provider to resubmit a new initial application containing the new owner's information.
 3. Request via letter that the provider submit a new initial Form CMS-855A application containing the new owner's information within 30 days of the date of the letter. If the provider fails to do so, the contractor shall reject the initial application and notify the provider and the State/RO of this via letter. If the provider submits the application, the contractor shall process it as normal and, if a recommendation for approval is made, send the revised application package to the State/RO with an explanation of the situation; the initially submitted application becomes moot. If the newly submitted application is denied, however, the initially submitted application is denied as well; the contractor shall notify the provider and the State/RO accordingly.
- Situation 4 – The provider submitted a CHOW application followed by another CHOW application, and a recommendation for approval has been made for the first application – The contractor shall:
 1. Notify the State/RO via e-mailed letter that a CHOW application has been submitted (the new owner should be identified) and that the contractor will be requiring the provider to resubmit a new initial application containing the new owner's information.
 2. Process the new CHOW application as normal. If a recommendation for approval is made, the contractor shall send the revised CHOW package to the State/RO with an explanation of the situation; the first CHOW application becomes moot. If the newly submitted CHOW application is denied, the first application is denied as well; the contractor shall notify the provider and the State/RO accordingly.

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Scope of Revocation and Reenrollment Bar

A chart has been added to chapter 15 of the PIM that outlines the extent to which (1) a particular revocation generally applies to the provider's other locations and (2) the re-enrollment bar applies. The chart is in Section 15.27.2.F of that chapter.

Additional Information

The official instruction, CR8019, issued to your FI, RHHI, carrier and A/B MAC regarding this change, may be viewed at <http://www.cms.hhs.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R435PI.pdf> on the CMS website. The entire revised Chapter 15 of the PIM is attached to that CR.

If you have any questions, please contact your FI, RHHI, carrier or A/B MAC at their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

News Flash - Vaccination is the Best Protection Against the Flu — Influenza Vaccine Prices Are Now Available. Each office visit is an opportunity to check your patients' seasonal influenza (flu) and pneumonia immunization status and to start protecting your patients as soon as your 2012-2013 seasonal flu vaccine arrives. Ninety percent of flu-related deaths and more than half of flu-related hospitalizations occur in people age 65 and older. Seniors also have an increased risk of getting pneumonia, a complication of the flu. Remind your patients that seasonal flu vaccinations and a pneumococcal vaccination are recommended for optimal protection. Medicare provides coverage for one seasonal influenza virus vaccine per influenza season for all Medicare beneficiaries. Medicare generally provides coverage of pneumococcal vaccination and its administration once in a lifetime for all Medicare beneficiaries. Medicare may provide coverage of additional pneumococcal vaccinations based on risk or uncertainty of beneficiary pneumococcal vaccination status. Medicare provides coverage for these vaccines and their administration with no co-pay or deductible. And don't forget to immunize yourself and your staff. *Know what to do about the flu.*

Remember – Influenza vaccine plus its administration and pneumococcal vaccine plus its administration are covered Part B benefits. Influenza vaccine and pneumococcal vaccine are NOT Part D-covered drugs. CMS has posted the 2012-2013 [Seasonal Influenza Vaccines Pricing](#). You may also refer to the [MLN Matters® Article #MM8047](#), "Influenza Vaccine Payment Allowances - Annual Update for 2012-2013 Season."

For more information on coverage and billing of the flu vaccine and its administration, please visit the [CMS Medicare Learning Network® Preventive Services Educational Products](#) and [CMS Immunizations](#) web pages. And, while some providers may offer the flu vaccine, others can help their patients locate a vaccine provider within their local community. [HealthMap Vaccine Finder](#) is a free, online service where users can search for locations offering flu vaccines.

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