

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1527	Date: August 6 , 2015
	Change Request 9210

SUBJECT: Update for Paper Claims Processing Under the Administrative Simplification Compliance Act (ASCA)

I. SUMMARY OF CHANGES: This transmittal contains updated instructions for processing paper claims based on the Administrative Simplification Compliance Act (ASCA) of 2001.

EFFECTIVE DATE: September 8, 2015

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

IMPLEMENTATION DATE: September 8, 2015

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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I. GENERAL INFORMATION

A. Background: The Administrative Simplification Compliance Act (ASCA) amendment to section 1862(a) of the Act prescribes that “no payment may be made under Part A or Part B of the Medicare Program for any expenses incurred for items or services” for which a claim is received in a non-electronic form. Consequently, absent an applicable exception, paper claims received by Medicare will not be paid. Entities determined to be in violation of the statute or this rule may be subject to claim denials, overpayment recoveries, and applicable interest on overpayments.

Change Request (CR) 3440, Transmittal 450 (Enforcement of Mandatory Electronic Submission of Medicare Claims), dated January 27, 2005, contains information that needs to be corrected.

B. Policy: As required by ASCA, with few exceptions, claims must be submitted to Medicare electronically.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C S	Shared- System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
9210.1	Contractors shall enter the appropriate information to the system to begin the denial (for non-institutional paper claims) or Return to the Provider (institutional claims) of Medicare paper claims on the 91st calendar day as specified in the letter to the provider.	X	X	X	X					
9210.2	Contractors shall use group code CO with reason code 96 and remark code M117 and MA44 on claims denied (for non-institutional paper claims) or Returned to the Provider (institutional claims) as non-electronic.	X	X	X	X					
9210.3	Contractors shall use MSN code 9.9 for these denials (for non-institutional paper claims only).		X		X					

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E	C E D I
		A	B	H H H		
	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:

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

V. CONTACTS

Pre-Implementation Contact(s): Matt Klischer, matthew.klischer@cms.hhs.gov , Charles Watson, charles.watson@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