

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1657	Date: April 29, 2016
	Change Request 9462

Transmittal 1595, dated January 22, 2016, is being rescinded and replaced by Transmittal 1657 dated April 29, 2016, to update Business Requirement 9462.3.1 with additional instructions that were not included in the original transmittal. All other information remains the same.

SUBJECT: Issuing Continuing Compliance Letters to Specific Providers and Suppliers

I. SUMMARY OF CHANGES: Per 42 CFR §424.516(d) and (e), providers/suppliers are required to report changes within 30 or 90 calendar days of the change, depending on provider/supplier type. If changes are not reported and providers/suppliers are found to be out of compliance, revocation actions are initiated. The Centers for Medicare & Medicaid Services (CMS) is revising part of the revocation process for certain selected providers/suppliers to correct a non-compliance violation prior to proceeding with the revocation process.

EFFECTIVE DATE: February 22, 2016

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

IMPLEMENTATION DATE: February 22, 2016

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

Pub. 100-20	Transmittal: 1657	Date: April 29, 2016	Change Request: 9462
--------------------	--------------------------	-----------------------------	-----------------------------

Transmittal 1595, dated January 22, 2016, is being rescinded and replaced by Transmittal 1657 dated April 29, 2016, to update Business Requirement 9462.3.1 with additional instructions that were not included in the original transmittal. All other information remains the same.

SUBJECT: Issuing Continuing Compliance Letters to Specific Providers and Suppliers

EFFECTIVE DATE: February 22, 2016

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

IMPLEMENTATION DATE: February 22, 2016

I. GENERAL INFORMATION

A. Background: Per 42 CFR §424.516(d) and (e), providers/suppliers are required to report changes in practice locations within 30 (physicians, non-physician practitioners, and physician and nonphysician practitioner organizations) or 90 (all other providers and suppliers) calendar days of the change, depending on provider/supplier type. In some cases, CMS does not become aware of the provider/supplier’s changes and the provider/supplier is found to be non-compliant with Medicare regulations, after which, revocation actions are initiated. CMS is revising part of the revocation process for certain selected providers and suppliers. Prior to initiating revocation actions for non-operational practice locations, the MACs will be instructed by CMS to issue a Continued Compliance letter, urging the provider or supplier to correct any deficiencies by reporting the changes within 21 days of the issuance of the letter via PECOS or via a paper CMS-855 application.

B. Policy: In accordance with 42 CFR §424.516(d) and (e), providers/suppliers must report a changes in ownership, adverse legal actions, or practice locations within 30 or 90 days of the change, depending on provider/supplier type.

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	Shared- System Maintainers				Other	
		A	B	H H H		F I S S	M C S	V M S	C W F		
9462.1	Contractors shall continue to process revocations in accordance with Pub. 100-08, Chapter 15, section 15.27.2.	X	X	X							
9462.2	CMS may request the MACs to issue a Continuing Compliance letter to a provider or supplier as part of a revocation request to urge the provider or supplier to update their enrollment and come into compliance with regulations. Once a request is received, the MACs shall issue a Continuing Compliance letter to the provider or supplier.	X	X	X							

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared-System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
9462.3	If the provider or supplier submits an application (via PECOS or via a paper form CMS-855) to update their enrollment accordingly within 21 days of the postmark of the letter, the MAC shall respond to the CMS revocation request that the provider or supplier has submitted the change of information and if the changes included satisfy the compliance discrepancy.	X	X	X						
9462.3.1	The MAC shall process the application according to existing instructions after receiving approval to do so from CMS, including ordering a site visit, via the National Site Visit Contractor (NSVC), to ensure address changes submitted to correct non-compliance are properly verified.	X	X	X						
9462.4	If the provider or supplier fails to submit an application (via PECOS or via a paper form CMS-855) within 21 days of the postmark of the letter, the MAC shall proceed with the revocation instructions received from CMS.	X	X	X						
9462.4.1	The MAC shall respond to the CMS revocation request of the action that has been taken and provide a copy of the actual revocation letter issued to the provider or supplier.	X	X	X						

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	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: N/A
---------------------------------	---

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

V. CONTACTS

Pre-Implementation Contact(s): Andrew Stouder, 410-786-0222 or andrew.stouder@cms.hhs.gov

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

VI. FUNDING

Section A: 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.

ATTACHMENTS: 1

[month] [day], [year]

[Provider/Supplier Name]

[Address]

[City] ST [Zip]

Reference ID: (NPI, PTAN, etc.)

Dear [Provider/Supplier Name]:

This letter is official notice that CMS has found the provider or supplier listed above to be out of compliance with Medicare regulations. [Insert MAC name] is charged with the responsibility of protecting the integrity of the Medicare Trust Fund by ensuring that all providers and suppliers are in full compliance with regulations found in 42 CFR subpart 424.

More specifically, we would like to draw your attention to the following standard(s):

42 CFR § 424.XXX: *[Insert regulation and reason of non-compliance]*

Please be advised that you are allowed 21 calendar days from the postmarked date of this letter to provide a change of information that may allow us to verify your full compliance with regulations.

If you fail to comply with the 21-day deadline, we will proceed with revocation of your Medicare enrollment.

Please update your file electronically using the Provider Enrollment, Chain, and Ownership System (PECOS) by accessing <https://pecos.cms.hhs.gov> or via a paper CMS-855 application. Complete the appropriate sections of the application and send the application along with all required documentation to the address below.

[Insert MAC address]

Your response must also include a copy of this letter.

Sincerely,

[Name]

[Title]

[Company]