

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-20 One-Time Notification</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 1720</b>	<b>Date: September 23, 2016</b>
	<b>Change Request 9662</b>

**Transmittal 1697, dated August 5, 2016, is being rescinded and replaced by Transmittal 1720 to make explicit that this CR is limited to '11H' TOB. All other information remains the same.**

**SUBJECT: Reporting of All Recovery Auditor-Initiated Claim Adjustments and their Subsequent Adjustments for Periodic Interim Payment (PIP) Facilities**

**I. SUMMARY OF CHANGES:** The purpose of this Change Request is to ensure that Recovery Auditor-initiated adjustments to PIP claims and their subsequent adjustments are accurately recorded on the Provider Statistical & Reimbursement (PS&R) report.

**EFFECTIVE DATE: January 1, 2017**

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

**IMPLEMENTATION DATE: January 3, 2017**

*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.*

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
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: 1720	Date: September 23, 2016	Change Request: 9662
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## I. GENERAL INFORMATION

**A. Background:** CR 7601 (Transmittal 977) was issued in October 2011, with an implementation of April 2, 2012 and an effective date of April 1, 2012, instructing the Fiscal Intermediary Shared System (FISS) to develop a process for sending Recovery Auditor-initiated Periodic Interim Payment (PIP) claim adjustments to the Healthcare Integrated General Ledger Accounting System (HIGLAS) via the 837 interface. Due to issues with the process, a workgroup was formed in the spring of 2013 to ensure that adjustments were transmitting from FISS to HIGLAS and that transmitted adjustment amounts were accurate. In the summer of 2014, CMS was alerted that this process was specific to 11X bill types, and all other bill types for PIP providers were placed on hold. The purpose of this Change Request is to ensure that all Recovery Auditor-initiated adjustments (11H) to PIP claims and their subsequent adjustments are being correctly reported on the Provider Statistical & Reimbursement (PS&R) Report.

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

## 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	
9662.1	FISS shall create an indicator to identify hospital PIP claims that should be paid as cash (the provider reimbursement amount as reported on page 10 of the claim).  <b>NOTE:</b> For PIP providers, the provider reimbursement amount will be used and not just the add-on payment amounts when processing all adjustments, not just Recovery Audit Contractor (RAC) adjustments.					X				
9662.1.1	FISS shall create a one-byte A/N on the claim record to set the PIP Pay as Cash indicator.					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	
	<b>NOTE:</b> The Account Payable or Receivable Invoice number shall be based on the claim number of the suppressed adjustment.								
9662.3	<p>MAC shall enter the Manual payable invoice for suppressed adjustment in HIGLAS using the below field values:</p> <p>Type: Standard</p> <p>Invoice Number:</p> <p>AP Invoice amount:</p> <p>CPT Interest Indicator DFF: DC</p> <p>Invoice Type DFF: MANUAL</p> <p>Sub Invoice Type DFF: 'M4_PIP_Claim'</p> <p>Shared System Reason Code:</p> <p>Shared System Discovery Code:</p>	X							
9662.4	<p>MAC shall enter the Manual receivable invoice for suppressed adjustment in HIGLAS using the below field values:</p> <p>Class: Invoice</p> <p>AR Transaction Amount:</p> <p>AR Transaction/Invoice Number:</p> <p>Transaction Type:</p> <p>Reference: mother claim number</p> <p>Transaction DFF: claim number field for mother claim number</p> <p>Context Value: Manual</p> <p>Invoice Type DFF: MANUAL</p> <p>Sub Invoice Type DFF: 'M4_PIP_Claim'</p>	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	
9662.6.1	HIGLAS shall validate the required DFF field 'Shared System Reason Code' is entered for the Sub Invoice Type 'M4_PIP claim' on the payable invoice.									HIGLAS
9662.6.2	HIGLAS shall place an edit to not allow the use of Sub Invoice Type 'M4_PIP claim' for the Part B Organization.									HIGLAS
9662.7	HIGLAS shall make configuration change to reflect these Manual Claim invoices in IBPR report Line 2A, using the new Sub Invoice Type 'M4_PIP_Claim'.									HIGLAS
9662.8	HIGLAS shall consider these manual claim payable invoices as manual payment and shall report with 'M4' PLB Code on the HIGLAS 835 Interface.					X				HIGLAS
9662.9	The Provider Statistical & Reimbursement (PS&R) Reporting System shall accept a new field that identifies the payment method (PIP or Cash) for claims submitted by PIP providers.									PS&R
9662.10	The PS&R System shall report separately the payments/recoupments to/from a PIP provider on a PIP basis (e.g., Outliers for a claim paid under PIP) and payments/recoupments made to/from a PIP provider on a cash basis (e.g., Net Reimbursement for a RAC recouped claim) per the payment method identified by the new field.									PS&R
9662.11	The PS&R System shall base the payment method for a credit record for a PIP claim on the value in the new field for the paired debit record. The values of the initial RAC credit mirror the preceding debit in FISS, which means it does not have the RI Adjustment Reason Code, nor the new indicator that the adjustment should be treated as a cash transaction. In order to capture that the entire adjustment is being treated as a cash transaction, PS&R must look to the debit record to determine how to account for the credit record's payment basis.									PS&R

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility
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		A/B MAC			D M E	C E D I
		A	B	H H H	M A C	
	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):** Ashley Ford, 410-786-0828 or Ashley.Ford@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**