

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1732	Date: October 27, 2016
	Change Request 9816

SUBJECT: Phase Three: Changing Fiscal Intermediary Shared System (FISS) Action on Informational Unsolicited Responses (IURs) From Canceled Claims to Adjustments

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to ensure that FISS processes all IURs as adjustments.

EFFECTIVE DATE: April 1, 2017

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

IMPLEMENTATION DATE: April 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.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
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: Recently, a large volume of IURs were generated in error due to a change in the data file received from the Social Security Administration. The erroneous data resulted in the need for Medicare to reverse many canceled claims. However, when claims are canceled in error they have to be resubmitted by the provider or recreated by the system maintainer to be reconsidered for payment.

B. Policy: This instruction is the phase-three approach for changing all remaining IURs that are currently processed with the action to 'cancel' and changing the action to 'adjustment' where claim payments are rejected based on the Common Working File (CWF) error code. The purpose of these IURs remains the same and therefore, must result in a take back of the payment.

Currently, (and with the exception of FISS) all Medicare standard systems are processing all IURs as adjustments. Claim adjustments are preferred over claim cancellations for two reasons: 1) the ability to re-open provider claims will remain possible when questioning the accuracy of the IURs and 2) the process of reopening adjusted claims is less resource intensive than recreating claims by the system maintainer or provider resubmission of claims.

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	
9816.1	Medicare Contractors shall perform claim adjustments (and no longer cancel claims) for IURs transactions for Beneficiary Date of Death with payments rejected based on the CWF reason code returned in the trailer. <ul style="list-style-type: none"> • IUR Code '5211' UNSOL IND '1' Trailer 04, 24 					X				
9816.1.1	Medicare Contractors shall ensure that incoming claims are rejected for IUR 5211 and post to the CWF (no tape to tape flag X should be included on these reason codes).	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	
9816.2	Medicare Contractors shall perform claim adjustments (and no longer cancel claims) for IURs transactions for IPPS Trans with payments rejected based on the CWF reason code returned in the trailer. <ul style="list-style-type: none"> IUR Code '7111' UNSOL IND '2' Trailer 13, 24 					X				
9816.2.1	Medicare Contractors shall ensure that incoming claims are rejected for IUR 7111 and post to the CWF (no tape to tape flag X should be included on these reason codes).	X								
9816.3	Medicare Contractors shall allow noncovered institutional claims rejected for IURs 5211 and 7111 to post to CWF							X		
9816.3.1	Medicare contractors shall update any existing benefit period using the date of death of the beneficiary if it is prior to the claim statement through date.							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:

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
	CRs 8554 and 8990

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): Shauntari Cheely, Shauntari.Cheely@cms.hhs.gov , Jason Kerr, Jason.Kerr@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