

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 563	Date: September 25, 2009
	Change Request 6430

Transmittal 501, dated June 5, 2009, is being rescinded and replaced with Transmittal 563, dated September 25, 2009, to split the CR between the October 2009 and January 2010 releases and change the effective and implementation dates to January 2010 dates from October 2009 dates. All other material remains the same.

SUBJECT: Allow Zoned Program Integrity Contractor (ZPIC) to access Durable Medical Equipment Medicare Administrative Contractor (DME MAC) by ZPIC Zone

I. SUMMARY OF CHANGES: Currently, only one Program Safeguard Contractor (PSC) can access a DME MAC's claims data. PSCs are transitioning to ZPICs. A ZPIC area may encompass parts of several DME MACs. This CR will allow access to a MACs claims data by multiple PSCs and for the PSC to extract only data that concerns claims in their service area.

New / Revised Material

Effective Date: January 1, 2010

Implementation Date: January 4, 2010 (This CR will be split over Oct. 2009 and Jan. 2010)

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:

SECTION A: For Fiscal Intermediaries and Carriers:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

SECTION B: 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

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

Attachment – One Time Notification

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Effective Date: January 1, 2010

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I. GENERAL INFORMATION

A. Background:

Currently, there are only two organizational roles in VIPS Medicare System (VMS) for access to DME MAC’s claims data and reports: Program Safeguard Contractor (PSC) and DME MAC. PSCs are transitioning to ZPICs. A DME MAC region may include several ZPIC zones. This CR will allow access to a MACs claims data by multiple PSCs and for the VMS generated PIMR reports (as identified in CR5908) to be segregated by ZPIC zone.

The current situation exists because VMS’s security is segregated by DME MAC and PSC/ZPIC. For example, Entity Action Records (EARS) are owned by the department that added the EAR to the ACES subsystem. The system only allows an operator from the owning department to update the EAR. But, both the PSC/ZPIC and DME MAC have the ability to inquire into all EARS. The VMS changes made under CR 3994 (April 2006) introduced and outlined the functionality of the PSC/ZPIC and DME MAC within VMS. CMS would like to further segregate reporting by DME MAC and multiple ZPICs.

ViPS has expressed a concern that this CR must provide enough detail for the changes that ViPS would need to make to VMS to support (1) the workflow for the DME MACs and multiple ZPICs and (2) the eventual changeover from PSCs to ZPICs.

B. Policy:

A DME MAC region may encompass several ZPIC zones, i.e. a ZPIC may be responsible for DME claims from only a subset of states in a DME MAC. However, 45 CFR Part 164 Section 512(d) (ii) and (iii) authorizes ZPICs to extract and analyze data for all DME MACs for health care oversight activities.

II. BUSINESS REQUIREMENTS TABLE

Number	Requirement	Responsibility (place an “X” in each applicable column)						
		A	D	F	C	R	Shared-System Maintainers	OTH ER
		/	M	I	A	R		
		B	E		R	H		

		M A C	M A C		R I E R	I	F I S S	M C S	V M S	C W F	
6430.1	Since DME claims are processed and priced by the beneficiary's state of residence, not by the supplier's state, CMS will assign ZPICs to each DME MAC to review claims for beneficiaries from the specific states in the DME MAC region.										CMS
6430.2	PSCs shall continue to have access to all data and edits that they accessed before the award of a ZPIC contract until all ZPICs for a DME MAC region assume exclusive control of the data for the DME MAC region at which point PSC access to that DME MAC region claims shall be terminated.		X						X		PSCs
6430.2.1	The ZPIC shall communicate when it assumes full control via a notification to partners in the area.		X								ZPIC s
6430.2.2	The PSC shall no longer have access to data and edits for a ZPIC zone once all ZPICs assume full control of the entire DME MAC region.		X								PSCs
6430.2.3	The ZPIC shall have access to all data and edits for the DME MAC region as soon as the ZPIC staff begins to receive VMS IDs.		X								ZPIC s
6430.2.3.1	The ZPIC shall have create /update access to all ZPIC edits established in a DME MAC region in which the ZPIC is responsible for one or more beneficiary states.		X								ZPIC s
6430.3	The DME MAC and PSCs/ZPICs shall have create/update access to Super Op edits for all ZPICs in the DME MAC region.		X								
6430.3.1	The DME MAC and PSCs/ZPICs in the DME MAC region shall define through Joint Operating Agreements (JOAs) how the DME MAC will develop, implement, and maintain SuperOP edits for each PSC/ZPIC.		X								PSCs /ZPI Cs
6430.3.1.1	DME MACs are not required to create/update PSC/ZPIC edits but may do so if the DME MAC and PSC/ZPIC agree to the DME MAC's updating PSC/ZPIC edits in a JOA.		X								
6430.4	PSCs/ZPICs shall protect the integrity and completeness of edits unique to the PSC/ZPIC through their JOAs with each other.										PSCs /ZPI Cs
6430.5	Where a ZPIC's area of responsibility crosses more than one DME MAC region, the ZPIC shall gather its report data from each DME MAC region. The shared system is not required to provide reports that consolidate data from multiple DME MAC regions into one report.										ZPIC s
6430.6	The shared system maintainer shall modify the existing monthly PIMR reports and files (as identified in CR5908) to break them down by PSC/ZPIC zone		X						X		PSCs /ZPI Cs

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				O T H E R
							F I S S	M C S	V M S	C W F	
	unique DME MAC system that will be used by the ZPIC.										
6430.9.1.1	The DME MAC shall provide documentation or training (depending on the scope of the changes) when changes are made to any systems unique to the DME MAC and that have an impact on the ZPIC's ability to use the VMS system screens or data.		X								ZPIC s
6430.10	The DME MAC shall provide support for problems that ZPICs have with the shared system once ZPIC staff are trained on the shared system and local aspects of the system. The level of support provided to ZPIC staff shall be the same as the level of support provided to DME MAC staff.		X								ZPIC s
6430.11	The System Test Contractor (STC) shall provide copies of final test outputs of all modifications required by this CR to the Pre-implementation contact for this CR before implementation of changes that this CR requires.										STC
6430.12	CMS shall provide instructions in a future CR concerning the handling of foreign DME claims when CMS allows payment for foreign DME claims.										CMS

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				O T H E R
							F I S S	M C S	V M S	C W F	
	None.										

IV. SUPPORTING INFORMATION

Section A: For any recommendations and supporting information associated with listed requirements, use the box below: N/A

X-Ref Requirement Number	Recommendations or other supporting information:
	None

Section B: For all other recommendations and supporting information, use this space: N/A

V. CONTACTS

Pre-Implementation Contact(s):

John Stewart Phone: 410-786-1189 E-mail: John.Stewart@cms.hhs.gov.

Post-Implementation Contact(s):

John Stewart Phone: 410-786-1189 E-mail: John.Stewart@cms.hhs.gov.

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs)*, *Regional Home Health Intermediaries (RHHIs)*, and/or *Carriers*, use only one of the following statements:

No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

Section B: For *Medicare Administrative Contractors (MACs)*, include the following statement:

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.