
Program Memorandum Intermediaries/Carriers

Department of Health and
Human Services (DHHS)
HEALTH CARE FINANCING
ADMINISTRATION (HCFA)

Transmittal AB-01-88

Date: JUNE 27, 2001

CHANGE REQUEST 1696

SUBJECT: Prior Approval Requirement for Data Center and Front End Movement

The previous moratorium (Program Memorandum (PM) AB-00-07, Change Request 1089, dated February, 2000) on data center movement, has expired. Any intermediary/carrier that wishes to change data centers or front ends must submit a written request to HCFA for prior approval. For the purposes of this PM, a data center is defined as a computer center that provides support to and/or runs the standard system (FISS, APASS, MCS, UHC, GTEMS, VIPS) that the contractor uses to process Medicare claims. A front end is defined as the center that directly receives electronic claims intake from submitters. The prior approval requirement includes requests to transition data center or front end work in-house.

This prior approval requirement is being issued because of the budget implications of any such move. Our business plan goal is to, over time, consolidate the number of data centers and to establish greater control of data centers.

A preliminary request should be submitted at the earliest practical date to the appropriate HCFA Contractor Consortium Manager with a copy to Gary Kavanagh, Director OIS/BSOG, N2-13-16, Baltimore, Md. 21244.

After the preliminary request, we will discuss with the contractor additional supporting material that will be required in order for us to reach a decision to approve or deny any such movement. While we will consider the specific needs of the individual contract, we will also be examining the request in terms of the overall cost to Medicare, our strategic direction to consolidate data centers and to establish more control over the data centers.

The *effective date* for this PM is June 27, 2001

The *implementation date* for this PM is June 27, 2001.

These instructions should be implemented within your current operating budget.

This PM may be discarded after January 1, 2003.

If you have any questions, contact John Zurad at jjurad@hcfa.gov.

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