

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1107	Date: August 03, 2012
	Change Request 7826

SUBJECT: The Medicare Secondary Payer Payment Module (MSPPAY) to be Maintained by the Shared System Maintainers for all Future Enhancements

I. SUMMARY OF CHANGES: The shared systems maintainer is required to modify the MSPPAY module as necessary when directed by CMS through a change request instruction.

EFFECTIVE DATE: January 1, 2013

IMPLEMENTATION DATE: January 7, 2013

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 Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs):

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

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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SUBJECT: The Medicare Secondary Payer Payment Module (MSPPAY) to be Maintained by the Shared System Maintainers for all Future Enhancements

Effective Date: January 1, 2013

Implementation Date: January 7, 2013

I. GENERAL INFORMATION

A. Background:

Standard Medicare Secondary Payer (MSP) calculations are currently achieved through the use of the standardized claims processing procedures. These mandatory claims procedures provide instructions to the shared systems and contractors for calculating payment and savings on valid MSP claims. For each valid claim MSPPAY determines the secondary payment, benefit utilization (if applicable) and MSP savings. To ensure uniformity of the MSP savings and claims payment processing, all contractors and shared systems are required to use the MSPPAY procedures.

The maintenance of the MSPPAY module for many years was supported by a Legacy contractor. Since the Legacy contractor has been absorbed recently into the Medicare Administrative Contractor the Legacy contract that maintained MSPPAY is no longer valid. After discussions here at the Centers for Medicare and Medicaid Services (CMS) it was decided that the shared system shall maintain its respective MSPPAY modules. The shared systems maintainer is only required to modify the MSPPAY module as necessary when directed by CMS through a change request instruction or through a user change request as deemed warranted.

The shared systems shall update and maintain the Medicare Secondary Payment technical manuals documenting and describing installation and execution of the MSPPAY module(s). The input data elements and output data elements required are referenced in these manuals.

The shared system maintainer must also have at least one, or more, experts on hand, on an ongoing basis, who can provide support when updates are made to the MSPPAY module and when questions are asked by Medicare contractors or shared systems regarding, for example, how MSP claims are calculated in MSPPAY. This includes utilization of the “test switch” function in MSPPAY when certain MSP claims are questioned and are submitted to the shared system maintainer to research for validity.

B. Policy:

The shared systems maintainer is required to modify the MSPPAY module as necessary when directed by CMS through a change request instruction. The MSPPAY modules are standardized software the shared systems and contractors must use to calculate MSP Part A, Part B and other Supplier bill payment. This ensures consistent MSP payment calculations. The calculations performed by these modules are in accordance with regulations 42 CFR 411.33. Updates to these modules, including technical documentation, are sent by CMS to the Shared system maintainers. CMS mandates implementation of these MSP procedures and calculations.

II. BUSINESS REQUIREMENTS TABLE

Use “Shall” to denote a mandatory requirement

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B M A C	D M E M A C	F I M A C	C A R R I E R	R H H I	Shared-System Maintainers				OTHER
					F I S S	M C S	V M S	C W F			
7826.1	The shared system shall maintain its respective MSPPAY modules.						X	X			
7826.2	The shared systems maintainer shall modify the MSPPAY module when directed by CMS through a change request instruction or through a shared system user change request as deemed warranted.						X	X			
7826.3	The shared systems shall update and maintain the Medicare Secondary Payment technical manuals documenting and describing installation and execution of the MSPPAY module(s). (The input data elements and output data elements required are referenced in these manuals.)						X	X			
7826.3.1	A copy of the technical manuals shall be emailed to the CMS MSPPAY module business function lead by the shared system maintainer once the manuals are updated with the most current MSPPAY modifications.						X	X			
7826.4	Medicare Contractors shall have the option to test and verify the accuracy of the MSPPAY software when updates are implemented.	X	X	X	X	X					
7826.5	The shared system maintainer shall also have at least one expert on hand who can provide support when updates are made to the MSPPAY module and when questions are asked by Medicare contractors.						X	X			
7826.6	The Part A shared system shall take the MSPPAY module source code and fold it into its base system.						X				
7826.7	The Part B and DME shared system shall take the MSPPAY module source code and fold it into its base system.							X			

III. PROVIDER EDUCATION TABLE

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

Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

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

V. CONTACTS

Pre-Implementation Contact(s): Richard.Mazur2@cms.hhs.gov (410) 786-1418

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR) or Contractor Manager, as applicable.

VI. FUNDING

Section A: For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs):

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Section B: For Medicare Administrative Contractors (MACs):

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