

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1208	Date: MARCH 19, 2007
	Change Request 5568

Subject: Extension for Acceptance of Form CMS-1500 (12-90)

I. SUMMARY OF CHANGES: CMS is instructing contractors to continue accepting the Form CMS-1500 (12-90) until further notice.

New / Revised Material

Effective Date: April 1, 2007

Implementation Date: April 2, 2007

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:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2007 operating budgets.

IV. ATTACHMENTS:

One-Time Notification

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

Attachment – One-Time Notification

Pub. 100-04	Transmittal: 1208	Date: March 19, 2007	Change Request: 5568
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SUBJECT: Extension for Acceptance of Form CMS-1500 (12-90)

Effective Date: April 1, 2007

Implementation Date: April 2, 2007

I. GENERAL INFORMATION

It has recently come to our attention that there are incorrectly formatted versions of the revised form being sold by print vendors. After reviewing the situation, it has been determined that the source files received from the authorized forms designer were improperly formatted. This resulted in the sale of printed forms and negatives which do not comply with the form specifications.

Therefore, CMS has decided to extend the acceptance period of the Form CMS-1500 (12-90) version claim which are received, regardless of the date of service, beyond the original April 1, 2007 deadline while this situation is resolved. The specific formatting issue involves top and bottom margins only, but may not be isolated to only top and/or bottom. The best way to identify these forms is by looking at the upper right hand corner of the form. If the tip of the red arrow above the vertically stacked word “CARRIER” is touching or close to touching the top edge of the form, then the form is not printed to specifications. There should be approximately one quarter of one inch between the tip of the arrow and the top edge of the paper on properly formatted forms.

Providers that are required to continue submitting the Form CMS-1500 (12-90) will only be required to provide their legacy provider numbers, as the Form CMS-1500 (12-90) cannot accommodate the NPI. It is important to note that this issue involves the paper claim form only, not the electronic transaction which can accommodate the NPI. In addition, this situation does not affect the current NPI implementation date of May 23, 2007.

A. Background: In July 2006, the Form CMS-1500 (12-90) was revised by the National Uniform Claim Committee (NUCC) predominantly for the purpose of accommodating the National Provider Identifier (NPI). Since that time, the industry has been preparing for the implementation of the revised Form CMS-1500 (08-05). In September 2006, Medicare announced that it would implement the revised Form CMS-1500 (08-05) on January 1, 2007 with dual acceptability of both versions until March 31, 2007. Beginning April 1, 2007, the only acceptable version of the form would be the Form CMS-1500 (08-05) and that the prior version, Form CMS-1500 (12-90), would be rejected.

B. Policy: The Form CMS-1500 answers the needs of many health insurers. It is the paper claim form prescribed by CMS for use by physicians and suppliers that qualify for an exemption from the mandatory electronic claims submission requirements set forth in the Administrative Simplification Compliance Act, Pub.L. 107-105 (ASCA) and the implementing regulation at 42 CFR 424.32.

II. BUSINESS REQUIREMENTS TABLE

Use “Shall” to denote a mandatory requirement

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

										F I S S	M C S	V M S	C W F
5568.1	Starting April 1, contractors shall continue to accept the Form CMS-1500 (12-90) until instructed to cease. This requirement supersedes previously released business requirement 5060.4.	X	X		X	X							
5568.2	Starting April 1, contractors that employ OCR scanning equipment which adjusts for and accurately scans incorrectly formatted forms shall not manually return any incorrectly formatted Form CMS-1500 (08-05) forms but allow them to continue through the scanning process. An incorrectly formatted form is one that is one quarter of an inch or more off in the top, bottom, right, and/or left margins.	X	X		X	X							
5568.3	Starting April 1, contractors that do not employ Optical Character Recognition (OCR) scanning equipment which adjusts for and accurately scans incorrectly formatted forms, shall manually return all Form CMS-1500 (08-05) forms received which fail scanning due to being incorrectly formatted. An incorrectly formatted form is one that is one quarter of an inch or more off in the top, bottom, right, and/or left margins.	X	X		X	X							
5568.3.1	Contractors shall develop their own "return language" which at a minimum must contain: the reason for the return, a recommendation to contact their printing vendor, the link to the CMS web page communication, and the option to submit the Form CMS-1500 (12-90) claim format until instructed to cease.	X	X		X	X							
5568.4	Starting April 1, contractors that do not employ OCR scanning equipment shall follow their normal business processes and not manually return Form CMS-1500 (08-05) forms received which are incorrectly formatted.	X	X		X	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 R I E R	D M E R C	R H H I	Shared-System Maintainers				OTHER
								F I S S	M C S	V M S	C W F	
5568.5	A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X	X		X	X						

IV. SUPPORTING INFORMATION

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

X-Ref Requirement Number	Recommendations or other supporting information:

B. For all other recommendations and supporting information, use this space:

V. CONTACTS

Pre-Implementation Contact(s): Brian Reitz, 410-786-5001, Brian.Reitz@cms.hhs.gov

Post-Implementation Contact(s): Brian Reitz, 410-786-5001, Brian.Reitz@cms.hhs.gov

VI. FUNDING

A. For Fiscal Intermediaries, Carriers, and the Durable Medical Equipment Regional Carrier (DMERC), use only one of the following statements:

No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2007 operating budgets.

B. For Medicare Administrative Contractors (MAC), use the following statement:

The contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the Statement of Work (SOW). 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.