

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-06 Medicare Financial Management	Centers for Medicare & Medicaid Services (CMS)
Transmittal 149	Date: MARCH 27, 2009
	Change Request 6348

SUBJECT: Instruction for Credits for Medicare Administrative Contractors on Complementary Credit Reporting

I. SUMMARY OF CHANGES: MAC Contractors shall utilize cash base accounting methodology to validate the COBC's complementary credit data.

NEW / REVISED MATERIAL

EFFECTIVE DATE: *Upon the start of the contractor's next option year.

IMPLEMENTATION DATE: April 27, 2009

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
R	Chapter 1/190.1/Completing the Certification Form

III. FUNDING:

SECTION A: For Fiscal Intermediaries and Carriers: N/A

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:

Business Requirements Manual Instruction

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

Attachment - Business Requirements

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SUBJECT: Instruction for Credits for Medicare Administrative Contractors on Complementary Credit Reporting.

EFFECTIVE DATE: Upon the start of the contractor’s next option year.

IMPLEMENTATION DATE: April 27, 2009

I. GENERAL INFORMATION

A. Background: Transmittal 114, Change Request 5444, dated January 26, 2007, and transmittal 78, Change Request 4016, dated September 30, 2005, instructed all non-Medicare Administrative Contractors (MACs) regarding how they should report accrued complementary credits received from the Coordination of Benefits Contractor (COBC) in association with national crossover claims. This instruction modifies the previously provided CMS guidance, as indicated in “Policy” and in the business requirements section below.

B. Policy: The CMS is requiring only A/B MAC and DME MAC contractors to change from accrual base accounting for complementary credits for crossover claims to a cash basis accounting of these credits. All MACs and DME MACs shall use this process when validating the COBC’s complementary credit data. All MACs and DME MACs shall adopt this new complementary credit accounting procedure during their next contract option year.

II. BUSINESS REQUIREMENTS TABLE

Number	Requirement	Responsibility (place an “X” in each applicable column)									
		A / B M A C	D M M A C	F I I E R	C A R I E R	R H I	Shared-System Maintainers				OTH ER
						F I S S	M I S S	V M S	C M W F		
6348.1	Contractors shall no longer report accruals for complementary credits received from the COBC for crossover claims that they have transmitted to the COBC.	X	X								
6348.2	Contractors shall now report cash received for complementary credits in association with their transmitted crossover claims.	X	X								
6348.3	Contractors shall use this process when validating the COBC’s complementary credit data	X	X								
6348.4	Contractors shall submit template in monthly status reports to assigned MAC or DMAC Project Officer. Template included in CR	X	X								
6348.4.1	Contractors shall document all cash reporting in the CMS Analysis Reporting and Tracking System (ARTs).	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 I E R	R H H I	Shared-System Maintainers				OTH ER
						F I S S	M C S	V M S	C W F		
	None.										

IV. SUPPORTING INFORMATION

X-Ref Requirement Number	Recommendations or other supporting information:

V. CONTACTS

Pre-Implementation Contact(s):

Anne Wood
 (410) 786-3374
 anne.wood@cms.hhs.gov

Post-Implementation Contact(s):

Anne Wood
 (410) 786-3374
 anne.wood@cms.hhs.gov

VI. FUNDING

Section A: For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), and/or Carriers: N/A

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.

Attachment

190.1 – Completing the Certification Form

(Rev. 149; Issued: 03-27-0; Effective Date: Upon the start of the contractor's next option year; Implementation Date: 04-27-09)

A. General

There are four sections that are utilized by the user to generate the PM certification. They are: Credit, Activity Summary by Function, Administrative Funds Drawn and Certification Screen. For MIP, there are three sections. They are: Activity Summary by Function, Administrative Funds Drawn and Certification Screen.

For PM, the user will enter the COB credits. After the user has entered all COB credit information, the system will sum the data to a "face sheet" amount by Medicare function, for Total Cost and Total Adjusted Cost, including a separate line for COB credits. The contractor will attest to the accuracy of the data included in the report by completing a certification statement.

B. Uses

The form will be used for the BR, SBR, IER, and FACP.

C. Completing the Certification Section

1. Credit Amount

The contractor shall enter the separate cumulative amounts of cash received for Complementary Credit and Medicaid to equal total credits. The user must also enter the separate amounts of accrued credits in total. Accrued credits represent outstanding receivables (invoices that have been billed but payments have not been received as of report date). This section must be completed prior to generation of the Certification Section.

The complementary credits shall be reported in the following manner:

Complementary Credit – Not applicable unless the Medicare contractor receives late payment for a transitioned COBA trading partner.

Medigap – the contractor shall report all complementary credits received from trading partners as a result of crossing over claim-based Medigap claims to trading partners. An agreement may be in place for transmission purposes.

COB Credits – the contractor shall report only the cash received from the COBC for claims crossed over in COBA production.

Accrued Credits – the contractor shall report all receivables due from trading partners that the contractor invoiced for themselves.

Accrued COB Credits – the contractor shall report all receivables due from the COBC for claims transmitted to the COBC for crossover in COBA production (adjusted by reimbursement, error reports, including accepted trading partner disputes that were returned to the contractors, and other adjustments reported on the contractor remittance advice).

2. Activity Summary By Function Section

This is a system-generated area. The system will sum the data to a total face sheet by Medicare function. No input is required by the user; however, the total must tie to subsidiary records.

3. Administrative Funds Drawn Section

This section is completed only for the IER. (See Chapter 2, section 60.6.)

4. Certification Section

The contractor shall enter name of Certifying Official and Title. An authorized official signs and dates the hard copy report and retains a copy in file.

5. Remarks Section

The contractor shall complete this section when appropriate.

Medicare Administrative Contractors and Durable Medical Equipment Medicare Administrative Contractors ONLY

A. General

Contractors shall report all workloads, net errors reported to them by COBC via the shared system for crossover claims to their respective project officers. Cash received from the COBC shall be recorded in the Analysis Reporting and Tracking System (ARTs) monthly.

Contractors shall utilize cash base accounting methodology to validate the COBC's complementary credit data effective with the start of contractor new option year.

COMPLIMENTARY CREDITS REPORT

Column E - Number of Non-Medigap Claims.

Contractor Name

Jurisdiction 00 Part X SLIN: 0000XX

Option Year 0 Month DD, YYYY - Month DD, YYYY

Column F - **There is a formula in this field that will calculate this for you. Do not enter anything in this field.**

Column G - Number of Medigap Claims - Please break-out these claims as they are reimbursed at a higher rate.

Column H - **There is a formula in this field that will calculate this for you. Do not enter anything in this field.**

Column I – Please enter the cash you have received this month from the COBC for this SLIN. (Disbursements are done twice monthly from the COBC.)