

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-06 Medicare Financial Management</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 261</b>	<b>Date: January 29, 2016</b>
	<b>Change Request 9470</b>

**SUBJECT: Monitoring Accounts Receivable that are in a Redetermination or Reconsideration Status**

**I. SUMMARY OF CHANGES:** The purpose of this change request is to provide instructions for the monitoring of accounts receivable (ARs), also referred to as overpayments, that are in a redetermination or reconsideration AR status code.

**EFFECTIVE DATE: March 1, 2016**

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

**IMPLEMENTATION DATE: March 1, 2016**

*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.*

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
N	4/Table of Contents
N	4/120/ Monitoring Accounts Receivable that are in a Redetermination or Reconsideration Status

**III. FUNDING:**

**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**

# Attachment - Business Requirements

Pub. 100-06	Transmittal: 261	Date: January 29, 2016	Change Request: 9470
-------------	------------------	------------------------	----------------------

**SUBJECT: Monitoring Accounts Receivable that are in a Redetermination or Reconsideration Status**

**EFFECTIVE DATE: March 1, 2016**

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

**IMPLEMENTATION DATE: March 1, 2016**

## I. GENERAL INFORMATION

**A. Background:** An Account Receivable (AR) that is in a redetermination or reconsideration status qualifies for limitations on recoupment. The AR's status must be monitored to make sure an appeal was actually filed and/or it is updated to reflect the decision of the redetermination or reconsideration. The monitoring of ARs that are in either status is critical in determining if the ARs should no longer qualify for limitations on recoupment.

**B. Policy:** Overpayments that are in the first (redetermination) or second (reconsideration) level of appeal are subject to limitations on recoupment as mandated by Section 935(f)(2)(a) of the Medicare Modernization Act of 2003. The request for a redetermination appeal must be filed within 120 days after the date of the initial demand/determination letter. The request for a reconsideration appeal must be filed within 180 days from the redetermination decision date. The maximum number of days that an AR shall be in a redetermination or reconsideration status is 120 days per status.

## II. BUSINESS REQUIREMENTS TABLE

*"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.*

Number	Requirement	Responsibility									
		A/B MAC			D M E M A C S	Shared- System Maintainers				Other	
		A	B	H H H		F I S S	M C S	V M S	C W F		
9470.1	The MAC shall develop controls to monitor accounts receivable (ARs) that are in the first (redetermination) or second (reconsideration) level of appeal. ARs that are in either level of appeal are subject to limitations on recoupment as mandated by Section 935(f)(2)(a) of the Medicare Modernization Act of 2003.	X	X	X	X						RRB-SMAC
9470.1.1	The MAC shall monitor ARs that are in a redetermination or reconsideration status to make sure the "days in status" are not greater than 120.	X	X	X	X						RRB-SMAC
9470.1.2	If the "days in status" are greater than 120, the MAC shall research the appeal to determine the status/decision of the appeal and update the AR's status accordingly.	X	X	X	X						RRB-SMAC

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E	C E D I
		A	B	H H H		
	None					

### IV. SUPPORTING INFORMATION

**Section A: Recommendations and supporting information associated with listed requirements: N/A**

*"Should" denotes a recommendation.*

X-Ref Requirement Number	Recommendations or other supporting information:

**Section B: All other recommendations and supporting information: N/A**

### V. CONTACTS

**Pre-Implementation Contact(s):** Jay Blake, 410-786-9371 or jay.blake@cms.hhs.gov , Donna Sanders, 410-786-0289 or donna.sanders@cms.hhs.gov

**Post-Implementation Contact(s):** Contact your Contracting Officer's Representative (COR).

### VI. FUNDING

**Section A: 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.

**ATTACHMENTS: 0**

# **Medicare Financial Management**

## **Chapter 4 - Debt Collection**

### **Table of Contents**

*(Rev. 261, Issued: 01-29-16)*

*120 – Monitoring Accounts Receivable that are in a Redetermination or Reconsideration Status*

## ***120 – Monitoring Accounts Receivable that are in a Redetermination or Reconsideration Status***

*The MAC shall develop controls to monitor accounts receivable (ARs) that are in the first (redetermination) or second (reconsideration) level of appeal. ARs that are in either level of appeal are subject to limitations on recoupment as mandated by Section 935(f)(2)(a) of the Medicare Modernization Act of 2003. The MAC shall monitor these ARs to make sure the “days in status” are not greater than 120. If the “days in status” are greater than 120, the MAC shall research the appeal to determine the status/decision of the appeal and update the AR’s status accordingly.*