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| CMS Manual System | Department of Health & Human Services (DHHS) |
| Pub 100-08 Medicare Program Integrity | Centers for Medicare & Medicaid Services (CMS) |
| Transmittal 622 | Date: October 30, 2015 |
| | Change Request 9391 |

SUBJECT: Program Integrity Manual Chapter 12 Revision

I. SUMMARY OF CHANGES: This purpose of this Change Request (CR) is to remove the Error Rate Reduction Plan requirement.

EFFECTIVE DATE: December 7, 2015

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

IMPLEMENTATION DATE: December 7, 2015

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 | 12/Table of Contents - The Comprehensive Error Rate Testing Program |
| R | 12/12.3.7- Annual Improper Payment Reduction Strategy (IPRS) |

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

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|--------------------|-------------------------|-------------------------------|-----------------------------|
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I. GENERAL INFORMATION

A. Background: Contractors previously submitted a Medical Review Strategy and Error Rate Reduction Plan separately. These two documents have been combined and are called the annual Improper Payment Reduction Strategy (IPRS).

B. Policy: There are no statutory or regulatory policies that impact this CR.

II. BUSINESS REQUIREMENTS TABLE

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

| Number | Requirement | Responsibility | | | | | | | | |
|--------|--|----------------|---|-----|------------|---------------------------|-----|-----|-----|-------|
| | | A/B MAC | | | DME MAC | Shared-System Maintainers | | | | Other |
| | | A | B | HHH | | FISS | MCS | VMS | CWF | |
| 9391.1 | Contractors shall submit an annual IPRS. | X | X | X | X | | | | | |

III. PROVIDER EDUCATION TABLE

| Number | Requirement | Responsibility | | | | |
|--------|-------------|----------------|---|-----|------------|------|
| | | A/B MAC | | | DME MAC | CEDI |
| | | A | B | HHH | | |
| | None | | | | | |

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements:

"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): Jill Garver, Jill.Garver@cms.hhs.gov

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

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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ATTACHMENTS: 0

Medicare Program Integrity Manual

Chapter 12 – The Comprehensive Error Rate Testing Program

Table of Contents
(Rev.622, Issued: 10-30-15)

Transmittals for Chapter 12

12.3.7 – *Annual Improper Payment Reduction Strategy (IPRS)*

12.3.7 – Annual Improper Payment Reduction Strategy (IPRS)
(Rev.622, Issued: 10-30-15, Effective: 12-07-15, Implementation: 12-07-15)

This section applies to Medicare Administrative Contractors (MACs) and Comprehensive Error Rate Testing (CERT) as indicated.

The annual Improper Payment Reduction Strategy (IPRS) is a problem-focused, outcome-based operational plan developed by the Medicare Administrative Contractor (MAC) that identifies risks to the Medicare Trust Fund and describes the improper payment interventions to be implemented to ensure proper payments and address the risks. The IPRS addresses both provider- and service-specific vulnerabilities and includes a prioritization of the problems based on data analysis findings and the availability of resources.

The MAC shall submit an IPRS as directed by the Statement of Work and Contracting Officer's Representative (COR). The current IPRS shall be updated or revised as required by the COR after review by the Business Function Leads (BFLs) (MR, CERT and POE) and the Regional Office (RO) Technical Monitor (TM) MR staff.

See Pub 100-08 Chapter 7, Section 7.1 for specific instructions on the IPRS.