

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-20 One-Time Notification</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 853</b>	<b>Date: February 4, 2011</b>
	<b>Change Request 7274</b>

**SUBJECT: Currently Not Collectible (CNC) and Write-Off Closed Recommendations for claims Eligible for Section 935 Limitation on Recoupment of the Medicare Modernization Act (MMA)**

**I. SUMMARY OF CHANGES:** The purpose of this change request is to combine claims recommended for CNC reclassification in the same aggregation sequence as the demand letter aggregation sequence to amount to more than the \$25 threshold amount. In the case that the principle claims amount to less than \$25 in a single demand, the claims will be eligible for recommendation for write-off closed.

**EFFECTIVE DATE: July 1, 2011**

**IMPLEMENTATION DATE: July 5, 2011**

*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/revise 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/A	

**III. FUNDING:**

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

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

<b>Pub. 100-20</b>	<b>Transmittal: 853</b>	<b>Date: February 4, 2011</b>	<b>Change Request: 7274</b>
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**SUBJECT: Currently Not Collectible (CNC) and Write-Off Closed Recommendations for claims Eligible for Section 935 Limitation on Recoupment of the Medicare Modernization Act (MMA)**

**Effective Date:** July 1, 2011

**Implementation Date:** July 5, 2011

## I. GENERAL INFORMATION

### A. Background:

Per IOM Pub 100-6, Chapter 5, Section 400.20, accounts receivables with the principle balance less than \$25 are not eligible for CNC reclassification. IOM Pub 100-6, Chapter 4, Section 70.16 states that receivables are not eligible for write-off closed if the principle balance is more than \$25. Instructions in IOM Pub 100-6, Chapter 3, Section 200.2, regarding Section 935 of the MMA require claims to be aggregated in one demand letter if:

- a. Multiple receivables are included in a demand letter. These individual receivables are under the threshold amount and are not eligible for CNC referral. If combined, they equal or exceed the threshold amount.
- b. Multiple receivables are included in a demand letter. Some of the receivables were collected and some remain outstanding. The outstanding receivables may be eligible for CNC referral but the demand is not eligible because there was recoupment on the other receivables listed on the demand.
- c. Write-off reports show the individual receivables that are less than \$25 but the demand amount is more than \$25 and so the debt is not eligible for write-off.

### B. Policy:

The purpose of this change request is to combine receivables recommended for CNC reclassification in the same aggregation sequence as the demand letter aggregation sequence to amount to more than the \$25 threshold amount. In the case that the principle receivable amount to less than \$25 in a single demand, the receivable will be eligible for recommendation for write-off closed.

## II. BUSINESS REQUIREMENTS TABLE

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

		M A C	M A C		R I E R	I	F I S S	M C S	V M S	C W F	
7274.1	The shared system maintainer shall combine receivables listed in a demand to meet the CNC threshold amount.								X		
7274.2	The shared system maintainer shall develop a report rolling up the 935 subtotals, referrals and collections for CNC and Write Off.								X		
7274.2.1	This report shall roll up the CNC and Write Off by Accounts Receivable number and/or DCN number then letter date.								X		
7274.3	The shared system maintainer shall aggregate receivable amounts in the case where the individual receivables are under threshold for CNC referral and the demand exceeds the threshold for write-off.								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  I E R	C A R I E R	R H I  I E R	Shared-System Maintainers				OTH ER
						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):**

Theresa S. Jones-Carter  
theresa.jones-carter@cms.hhs.gov  
410-786-7482

Monica Potee  
Monica.potee@cms.hhs.gov  
(410) 786-4297

### **Post-Implementation Contact(s):**

Theresa S. Jones-Carter  
theresa.jones-carter@cms.hhs.gov  
410-786-7482

*Contact your Contracting Officer's Technical Representative (COTR) or Contractor Manager, as applicable.*

Monica Potee  
Monica.potee@cms.hhs.gov  
(410) 786-4297

## VI. FUNDING

**Section A: For *Fiscal Intermediaries (FIs)*, *Regional Home Health Intermediaries (RHHIs)*, and/or *Carriers*, use only one of the following statements:**

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

**Section B: For *Medicare Administrative Contractors (MACs)*, include the following statement:**

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.