

# esMD Semi-Annual Program Report

**October 1, 2014 - March 31, 2015**

## Background

On September 15, 2011, the Centers for Medicare & Medicaid Services (CMS) implemented the Electronic Submission of Medical Documentation (esMD) system which enables providers to send medical documentation to Review Contractors electronically. The system is Exchange compatible, based on standards developed by the Office of the National Coordinator (ONC) for Health Information Technology.

Healthcare providers and CMS Review Contractors believe that using the esMD system results in cost savings and increased efficiencies. The esMD system may help improve the payment turnaround time and reduce the administrative burden associated with medical documentation requests and responses. Insufficient documentation errors generally account for a large proportion of improper payments. Some Fee-For-Service (FFS) medical review errors result from providers failing to submit the necessary documentation to support the claims. The implementation of esMD may help reduce improper payments.

The CMS uses several types of Review Contractors to measure, prevent, identify and correct improper payments or find potential fraud. These Review Contractors request medical documentation from the providers who submitted the claims, and manually review the claims against the medical documentation to verify the providers' conformance with Medicare rules. To comply with the Review Contractor's requests for documentation, hospitals, physicians and other medical providers send medical documentation via mail, fax or esMD to the Review Contractor.

Using esMD is not mandatory for providers. Review contractors are prohibited from targeting providers for medical review just because they use esMD.<sup>1</sup> Additionally, esMD transactions are safe and secure because the esMD system uses ONC's Exchange gateway standards.

## Recent esMD system enhancements

The CMS expanded the esMD system to include new document types:

<sup>1</sup> [CMS Program Integrity Manual, Chapter 3, Section 3.2.1.](#)

## Recent esMD system enhancements (continued)

### Prior Authorization Requests

A Prior Authorization Request is submitted when a provider requests prior authorization of a (non-emergency) health care item or service before the health care is provided. Prior authorization allows providers and suppliers to address issues with claims prior to rendering services and to possibly avoid the appeal process. The esMD system allows suppliers, providers, and Health Information Handlers (HIHs) to electronically send Prior Authorization requests to review contractors. Similarly, the esMD system allows review contractors to electronically send prior authorization request responses to suppliers, providers, and HIHs.

#### 1. Prior Authorization of Power Mobility Devices (PMD)

In September 2012, CMS initiated the Prior Authorization of PMD demonstration program for FFS Medicare beneficiaries who reside in seven states (CA, IL, MI, NY, NC, FL and TX). In October 2014, CMS expanded the PMD program to 12 additional states (MD, NJ, PA, IN, KY, OH, GA, TN, LA, MO, WA, and AZ). All Durable Medical Equipment (DME) Medicare Administrative Contractors (MACs) can receive PMD Prior Authorization Requests from HIHs in Portable Document Format (PDF) via esMD.

#### 2. Prior Authorization of Repetitive Scheduled Non-Emergent Ambulance Transport

In December 2014, CMS implemented a prior authorization model for repetitive scheduled non-emergent ambulance transport in three states (SC, NJ, and PA).

The following Part A/B MACs can receive Ambulance Prior Authorization Requests from HIHs in PDF format via esMD.

- a. J11/Palmetto GBA (SC)
- b. MAC JL/Novitas Solutions (NJ and PA)

### First Level Appeal Requests

Once an initial claim is denied for payment by Medicare, participating providers and suppliers have the right to appeal. The CMS expanded the esMD system to enable providers to submit first level appeal requests electronically in PDF format to review contractors. Review Contractors who are participating in the first level appeal request functionality do so on a voluntary basis.

### Recovery Auditor Discussion Requests

Previously, providers who wanted to request a discussion of the results of a recovery auditor review used mail or fax to send the request. The CMS expanded the esMD system to allow providers to submit Recovery Auditor Discussion Requests electronically in PDF format to Recovery Auditors. All Recovery Auditors can receive Recovery Auditor Discussion Requests from HIHs in PDF format via esMD.

### Advanced Determination of Medical Coverage

Advance Determination of Medicare Coverage (ADMC) is a voluntary program that allows suppliers and beneficiaries to request prior approval and determine, in advance of delivery, whether the purchase of a DME item would likely be covered. Review Contractors who are participating in the ADCM functionality do so on a voluntary basis.

## esMD Data

The number of participants in the CMS esMD program during the first half of fiscal year 2015:

- ◆ **87,335 Medicare Providers** (hospitals, physicians, and medical equipment suppliers) used esMD to respond to medical record requests they received from Review Contractors.
- ◆ **7,394 Medicare Providers** used esMD to submit Prior Authorization Requests.
- ◆ **23 Health Information Handlers** have been certified by CMS to offer esMD services. The HIHs contract with providers to supply them with esMD services much the same way that providers contract with claims clearinghouses to supply them with claims submission services.
- ◆ **30 Review Contractors** are approved by CMS to accept medical records via esMD. Of these:
  - ◇ Four are Medicare Recovery Auditors
  - ◇ Twelve are A/B Medicare Administrative Contractors
  - ◇ Four are Durable Medical Equipment Medicare Administrative Contractors
  - ◇ Six are Zone Program Integrity Contractors
  - ◇ Two are Error Rate Measurement Review Contractors (Comprehensive Error Rate Testing Contractor and Payment Error Rate Measurement)
  - ◇ One is a Supplemental Medical Review Contractor
  - ◇ One is a United States Railroad Retirement Board

The following tables show the transactions between October 1, 2014 and March 31, 2015.

Type of Document	Medical Records sent by Provider via esMD to Medicare Review Contractors		
	10/01/2014 - 12/31/2014	01/01/2015 - 03/31/2015	Total from 09/15/2011 - 03/31/2015
Medical Records	114,955	117,995	1,280,969
Prior Authorization Requests *	3,657	3,740	16,428

\* The Prior Authorization totals include all Prior Authorization requests (PMD, Ambulance, and Hyperbaric Oxygen)

**esMD Data (continued)**

Type of Document	Responses Received by Provider via esMD from Medicare Review Contractors		
	10/01/2014 - 12/31/2014	01/01/2015 - 03/31/2015	Total from 09/15/2011 - 03/31/2015
<b>Prior Authorization Decision/Notification</b>	3,132	3,458	6,590

**CMS-certified Health Information Handlers and Review Contractors**

To access the CMS esMD system, providers can either:

- ◆ Build their own gateway that will connect to the CMS esMD gateway, or
- ◆ Contract with a CMS-certified HIH

Table A lists the HIHs certified by CMS to offer esMD services during the reporting period (October 1, 2014 - March 31, 2015).

Table A: CMS-Certified esMD Health Information Handlers			
1	ApeniMED	13	Medical Electronic Attachment (MEA)
2	Bluemark, LLC	14	Medical Records, LLC
3	Cobius	15	MedFORCE Technologies
4	Craneware, Inc.	16	MRO
5	Dorado Systems	17	Proficient Health
6	Episode Alert	18	RISARC
7	eSolutions, Inc.	19	Rycan Technologies, Inc.
8	Health IT Plus	20	SSI
9	HealthPort	21	SunCoast RHIO, Inc.
10	IOD Incorporated	22	Verisk Health
11	IVANS / ABILITY Network	23	Verisma Systems, Inc.
12	LOISS, Ltd.		

**esMD Data (continued)**

Table B lists the Review Contractors approved by CMS to accept esMD transactions during the reporting period (October 1, 2014 - March 31, 2015).

<b>Table B: CMS Review Contractors Accepting esMD Transactions</b>		
<b>Recovery Auditors</b>	1	Region A (Performant Recovery)
	2	Region B (CGI Federal)
	3	Region C (Connolly)
	4	Region D (HealthDataInsights)
<b>Part A/B Medicare Administrative Contractors (A/B MAC)</b>	1	MAC J5 (WPS)
	2	MAC J6 (NGS)
	3	MAC J8 (WPS)
	4	MAC J15 (CGS)
	5	MAC JE/1 (Noridian)
	6	MAC JF/2&3 (Noridian)
	7	MAC JH/4&7 (Novitas Solutions)
	8	MAC JJ/10 (Cahaba)
	9	MAC JK/13&14 (NGS)
	10	MAC JL/12 (Novitas Solutions)
	11	MAC JM/11 (Palmetto GBA)
	12	MAC JN/9 (First Coast Service Options)
<b>Durable Medical Equipment Medicare Administrative Contractors (DME MAC)</b>	1	DME MAC JA (NHIC)
	2	DME MAC JB (NGS)
	3	DME MAC JC (CGS)
	4	DME MAC JD (Noridian)
<b>Zone Program Integrity Contractor (ZPIC)</b>	1	ZPIC 1 (SafeGuard Services)
	2	ZPIC 2 (Advance Med)
	3	ZPIC 3 (Cahaba)
	4	ZPIC 4 (Health Integrity)
	5	ZPIC 5 (Advance Med)
	6	ZPIC 7 (SafeGuard Services)
<b>Other Contractors</b>	1	U.S. Railroad Retirement Board - RRB (Palmetto GBA)
	2	Supplemental Medical Review Contractor (StrategicHealthSolutions)
	3	Comprehensive Error Rate Testing - CERT (Livanta)
	4	Program Error Rate Measurement - PERM (A+ Government Solutions)

## esMD Data (continued)

Updated lists of CMS-approved Review Contractors and CMS-certified Health Information Handlers can be found at [www.cms.gov/esMD](http://www.cms.gov/esMD).

## Future enhancements planned for the esMD system

### Prior Authorization of Non-Emergent Hyperbaric Oxygen Therapy

In Spring /Summer 2015, CMS will implement a prior authorization model for non-emergent hyperbaric oxygen (HBO) therapy in three states (MI, IL, and NJ). The following Part A/B MACs will be able to receive HBO Prior Authorization requests from HIHs in PDF format via esMD.

- a. MAC J8/WPS (MI)
- b. MAC J6/NGS (IL)
- c. MAC JL/Novitas Solutions (NJ)

### esMD Release 4.0

The second phase of esMD (Release 4.0), scheduled for release in late summer 2015, is focused on the Electronic Data Interchange (EDI) between Providers, Provider Organizations, HIHs, and Review Contractors. Release 4.0 introduced the EDI X12N 278 file format for submitting Prior Authorization requests. Additionally, the 4.0 release continues to use existing External Data Representation "XDR" Interchange profiles to submit Prior Authorization requests and other lines of business. The esMD system supports PMD, Non-Emergent Ambulance, and HBO Prior Authorization programs. Other lines of business include:

- ◆ First Level Appeal Requests
- ◆ Recovery Auditor Discussion Requests
- ◆ Advanced Determination of Medical Coverage Requests
- ◆ Additional Documentation Requests

---

## Centers for Medicare & Medicaid Services

7500 Security Boulevard  
Baltimore, Maryland 21244-1850

---

WE ARE ON THE WEB!

[www.cms.gov/esMD](http://www.cms.gov/esMD)

---

