

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 11433	Date: May 26, 2022
	Change Request 12703

SUBJECT: Update to Addition of Disposition Category "U" to Recovery Audit Contractor Data Warehouse (RACDW) Appeals Layout File - This CR Rescinds and Fully Replaces CR 12528.

I. SUMMARY OF CHANGES: This Change Request (CR) is to implement a series of updates and additional Business Requirements to CR 12528.

EFFECTIVE DATE: October 1, 2022

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

IMPLEMENTATION DATE: October 3, 2022

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
N/A	N/A

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:

One Time Notification

Attachment - One-Time Notification

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EFFECTIVE DATE: October 1, 2022

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IMPLEMENTATION DATE: October 3, 2022

I. GENERAL INFORMATION

A. Background: This Change Request (CR) is to implement an update to the responsibilities for Business Requirements (BRs) 12528.10 and 12528.11 on CR 12528 to include Multi-Carrier System (MCS) and ViPS Medicare System (VMS), to update BR 12528.13 to include Medicare Appeals System (MAS), and to add an additional BR to instruct the MACs to remove their local code that previously altered the data that will now be altered by MCS and VMS per BRs 12528.10 and 12528.11.

B. Policy: The nationwide recovery audit program was mandated under Division B, Title III, Section 302 of the Tax Relief and Healthcare Act of 2006.

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	Shared- System Maintainers				Other	
		A	B	H H H		F I S S	M C S	V M S	C W F		
12703.1	Contractors shall comply with the updated Appeals Upload File Format (version 003, last updated May 2, 2022) for all Appeal uploads into RACDW, including Part A, Part B, and Durable Medicare Equipment (DME) Appeals.	X	X	X	X		X	X			
12703.2	Contractors shall utilize the new Reason for Reversal code U - Favorable Underpayment with underpayment amount greater than originally assessed by the RAC.	X	X	X	X					MAS	
12703.2.1	This code shall be used to denote all instances where underpayment RAC review determination was appealed, and the appeal resulted in fully or partially favorable overturn plus increase of underpayment	X	X	X	X					MAS	

Number	Requirement	Responsibility									
		A/B MAC			D M E M A C	Shared- System Maintainers				Other	
		A	B	H H H		F I S S	M C S	V M S	C W F		
	amount due to provider.										
12703.2.2	This code shall not be used for overpayment appeals, for appeals with disposition other than fully or partially favorable to provider, and for appeals which resulted in decrease of underpayment amount due to provider.	X	X	X	X						MAS
12703.3	Contractors shall remove their local code that alters the bankruptcy indicator field.		X		X						
12703.4	Contractors shall pull Reversal Reason code for Administrative Law Judge (ALJ) decisions from MAS.	X		X	X						
12703.5	The contractor shall modify the RAC Reopenings and Appeals File to account for new reversal reason 'U - RAC Underpayment'.							X			
12703.6	The contractor shall establish a new common value 'U' on the VMAP/4B – ICOR Location Table that will be associated with the new Reversal Reason Code 'U – RAC Underpayment'.				X						
12703.7	The contractor shall make the 'Reversal narrative' field available for all 'Reason for reversal' codes.							X			
12703.8	The contractor shall expand the Reversal Narrative field included on the RAC Reopenings and Appeals File to include up to 1,000 characters.						X	X			
12703.9	The contractor shall remove the bankruptcy indicator field from the Appeals upload file layout.							X			
12703.10	The contractor shall modify the Recovery Audit Contractor Data Warehouse (RACDW) Appeals process to allow RAC items to be closed as dismissals.							X			
12703.11	The contractor shall remove edit 'C048 – INVALID ITEM STATUS' for RAC cases.							X			
12703.12	The contractor shall conduct testing during the Alpha testing timeframe in relation to the changes being implemented in this CR.						X	X			RAC Data Warehouse

Number	Requirement	Responsibility									
		A/B MAC		H H H	M A C	D M E	Shared-System Maintainers			Other	
		A	B				F I S S	M C S	V M S		C W F
12703.12.1	The contractor shall email the test files to SMikhaylenko@koniag-gs.com						X	X		RAC Data Warehouse	
12703.12.2	The contractor shall attend up to three (3), one-hour conference calls with RACDW to discuss the integration testing to be scheduled as needed.						X	X		RAC Data Warehouse	

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility						
		A/B MAC			H H H	M A C	D M E	C I
		A	B					
	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): Eric Miller, 740-591-1507 or eric.miller@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: 1

Appeals Upload File Format

Last Modified Date: 05/02/22

***Please note that both layouts detailed here pertain to the same file. The header is the first record in the file, followed by the Appeals records.**

Header Layout

Field Name	Location	Length	Attributes	Sample	Valid Values and Notes
File Type	1	10	AN - 10	APPEAL	Value: "APPEAL" Left justified, space fill
Filler	11	1			Space fill
File Format Version	12	3	N - 3	001	Value: 003
Filler	15	1			Space fill
Record Count	16	6	N - 6	000102	Number of records in file, not including header; zero fill
Filler	22	1			Space fill
Record Length	23	6	N - 6	001143	"001143"
Filler	29	1			Space fill
Create Date	30	8	N - 8	20100117	File Creation Date Format = YYYYMMDD
Filler	38	1			Space fill
Source ID	39	5	AN - 5	00308	Primary workload ID of EDC processing region
Filler	44	1100			Space fill

Record Layout

Field Name	Start	End	Length/ Attributes	Required/ Situational	Description
Workload Number	1	5	5 - AN	R	Workload number of the adjustment being appealed
Original claim ID	6	28	23 - AN	R	ID of the underlying claim, before adjustment by the recovery auditor (claim ID selected by Recovery Auditor for adjustment)
Adjustment ID	29	51	23 - AN	R	ID of the recovery audit-initiated adjustment being reopened/appealed
Legacy provider/supplier ID	52	64	13 - AN	R	Billing provider ID (MCS users) Rendering provider ID (VMS users)
Receipt Date	65	72	8 - N	R	Format: YYYYMMDD
Nature of request / Level of appeal	73	75	3 - AN	R	Valid values: R, Q, J, B, JR, C C = Clerical reopening R = Redetermination Q = QIC J = ALJ

					B = DAB JR = Judicial review
Disposition	76	78	3 - A	S	Valid values: A, P, F, W, D, R, S, Z, E, X A- Affirm recovery auditor decision P- Partially favorable to provider/supplier F- Fully favorable to provider/supplier W- Request withdrawn by provider/supplier D- Request dismissed R- Request for reopening accepted at the MAC S- Redetermination decision pending Z- Remand E- Error X - Escalated Notes: R is only allowable with Nature of Request = C Z is only allowable with Nature of Request = J, B or JR
Disposition Date	79	86	8 - N	R/S	YYYYMMDD (date of closure of correspondence) * If Appeal Disposition(other than S) exist, it is required field. ** It must be between Receipt Date and Date of Upload inclusive.
Readjustment ID	87	109	23 - AN	R/S	Blank if reopening/appeal request was dismissed, Recovery Auditor's decision was affirmed or decision is still pending. Otherwise, the ID of the adjustment created to effectuate the reopening/appeal decision.
Readjustment Date	110	117	8 - N	R/S	Format: YYYYMMDD (Finalization date of the readjustment) * If Readjustment ID exists, it is required field.
Amount Paid on Readjusted Claim	118	126	9 - N	R/S	Format: DDDDDD.CC (explicit decimal; padded with zeroes) If applicable, this field is the actual amount paid on the readjusted claim - NOT the difference between the Recovery Auditor's adjustment and the adjustment to implement the appeal/ reopening decision. * If Readjustment ID exists, it is required field.

Reason for reversal or accepted clerical reopening (Recovery Auditor error or new information from provider/supplier)	127	127	1 - AN	R/S	<p>Valid values: A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, T, U, 1, 2, 3, 4, 5</p> <p>A- Incorrect interpretation of coding policy B- Incorrect effective date utilized for coding policy C- Utilization of additional/different coding policy D- Code adjusted after 3 year limitation E- Medical record supplied in appeal process F- Wrong policy applied G- Other error by Recovery Auditor H- Provider/supplier added modifier I- Provider/supplier corrected date of service J- Provider/supplier corrected modifier K- Provider/supplier corrected diagnosis L- Provider/supplier corrected procedure code M- Provider/supplier corrected place of service N- Provider/supplier corrected billing number O- Provider/supplier corrected other error T- Testimony at hearing persuasive U- Favorable Underpayment with underpayment amount greater than originally assessed by the RAC</p> <p>1 - Found new documentation/evidence persuasive 2 - Interpreted/applied law or Medicare policy differently 3 - Applied different law or Medicare policy 4 - Found CMS contractor did not meet procedural requirements 5 - Other</p> <p>*Required if Disposition = P, F or R</p> <p>**Reason for reversal U is only allowed when Disposition is P or F</p> <p>***Reason for reversal U is only allowed when the underpayment RAC review determinator is appealed, and when the appeal overturn results in increased of</p>
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					underpayment amount due to provider
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Reversal narrative	128	1127	1000 - AN	R/S	Reviewer comments; *Required if Reason for Reversal = G or O **PHI/PII is not allowed in the narrative field
Filler	1128	1143	16		Spaces