CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 12037	Date: May 15, 2023
	Change Request 13164

Transmittal 12032 issued May 10, 2023, is being rescinded and replaced by Transmittal 12037, dated May 15, 2023, to make a minor clarification (that claims will be adjusted/denied if an improper payment is identified) and remove the confidential designation. All other information remains the same.

#### SUBJECT: Skilled Nursing Facility (SNF) 5-Claim Probe and Educate Review

**I. SUMMARY OF CHANGES:** The purpose of this Change Request (CR) is to have the MACs perform a 5 claim probe and educate medical review on every SNF in their jurisdiction. The purpose of this widespread review is to lower the SNF improper payment rate. As always, if the MAC identifies an improper payment, the MAC will adjust the individual claim payment, as appropriate, in addition to providing education, including their explanation for denial or adjustment of payment.

#### **EFFECTIVE DATE: June 5, 2023**

\*Unless otherwise specified, the effective date is the date of service. IMPLEMENTATION DATE: June 5, 2023

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**

2023 Change Request: 13164
)

Transmittal 12032 issued May 10, 2023, is being rescinded and replaced by Transmittal 12037, dated May 15, 2023, to make a minor clarification (that claims will be adjusted/denied if an improper payment is identified) and remove the confidential designation. All other information remains the same.

#### SUBJECT: Skilled Nursing Facility (SNF) 5-Claim Probe and Educate Review

#### EFFECTIVE DATE: June 5, 2023

\*Unless otherwise specified, the effective date is the date of service. IMPLEMENTATION DATE: June 5, 2023

#### I. GENERAL INFORMATION

**A. Background:** The Comprehensive Error Rate Testing (CERT) program for SNFs (skilled nursing facility) projected an improper payment rate of 15.1 percent in 2022, up from 7.79% in 2021. SNF service errors were determined to be the top driver of the overall Medicare Fee-for-Service improper payment rate. Part of the reason for the significant increase in the improper payment rate may be the change from the Resource Utilization Group (RUG) IV to the PDPM (patient driven payment model) for claims with dates of service on or after October 1, 2019. The primary root cause of SNF errors was found to be missing documentation

This CR is an attempt to increase comprehension of correct billing practices under the PDPM by all SNF providers that bill Medicare. CMS is implementing a 5-claim probe and educate medical review strategy that allows for maximum outreach to all SNFs and offers provider-specific education, as necessary, in an attempt to prevent future improper payments. As always, if the MAC identifies an improper payment the MAC will adjust/deny the individual claim payment, as appropriate, and provide education.

The key elements of this project include:

- All MACs that review SNF Medicare claims
- MACs will select 5 claims from each selected provider
- MACs will complete one (1) round of probe and educate for each selected provider instead of the potential three (3) rounds as instructed by the traditional TPE program.
- Education offered will be individualized based on the claim review errors identified in the probe
- **B. Policy:** This CR does not involve any legislative or regulatory policies.

## II. BUSINESS REQUIREMENTS TABLE

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

			A/B ⁄IA( B	D M E M A C	M F I S	I C M W S S S F		SystemMaintainersFMVCICMW		ers C W	Other
13164.1	Contractors shall use this change request as comprehensive direction to conduct medical review and reporting under the SNF 5-Claim Review Project.	X			0						
13164.2	Contractors shall review a sample of claims for each SNF in their jurisdiction that submits claims for Medicare SNF services. NOTE: Contractors shall amend their current medical review strategies, to institute this instruction within their normal operating budgets.	X									
13164.3	Contractors shall select a sample of 5 claims for prepayment review (with occasional post-pay, if requested by the provider due to financial burden) from the universe of claims for all SNFs that submit claims for Medicare SNF services within the contractor's jurisdiction.	X									
13164.4	The contractors shall implement the SNF 5-claim reviews on a rolling basis beginning with the top 20% of providers that show highest risk based on MAC data analysis.	X									
13164.5	Contractors shall exclude providers/suppliers under review by other contractors.	X									
13164.6	After an individual provider's 5 claim sample is completed, contractors shall send detailed results letters. NOTE: This requirement shall include sending result letters to providers with no error findings. CMS	X									
	minimally expects detailed results letters to include individualized, claim-by-claim denial rationales (which may be based on the CMS provided denial dispositions), and encourages contractors to include the written clinical details which must be discussed during the 1:1 telephonic education.										
13164.7	For providers with error rate 20% or less (1/5 claims in error) MACs shall provide widespread education with the option for the provider to receive 1:1 education, if requested.	X									

Number	Requirement	Responsibility								
		A/B MAC			D M E		Sha Sys aint	tem		Other
		A	В	H H H	M A C	-	M C S	V M S	C W F	
	NOTE: This offer letter shall clearly indicate a specific phone number and/or point of contact for providers to request education.									
13164.8	Additionally, in the results letters for providers with error findings >20% in their sample, contractors shall offer 1:1 education.	X								
	NOTE: MACs shall reach out to the provider to schedule education if 2 or more claims in error.									
13164.9	"When the provider accepts 1:1 education the MACs shall provide education that includes claim specific information (i.e., clinical facts and corresponding denial reasons) and that allows the provider the opportunity to review the claim decisions, ask questions and receive meaningful feedback conducive to behavioral change and increased provider compliance.	X								
13164.10	Contractors shall notify providers at the start of every teleconference that the discussion may be monitored by CMS as a third party for quality assurance purposes.	X								
13164.11	Contractors shall include with their weekly reports a list of scheduled 1:1 provider education calls, including the date/time and call-in information. NOTE: CMS may audit the calls without advanced notice, and CMS participation will be on a listen-only	X								
13164.12	basis for monitoring purposes The MAC shall report completed SNF 5-claim review	X								
	probes on the monthly Probe and Educate template. This report shall be submitted into the CMS RAC Data Warehouse on or before the 20th of each month by the MAC, and shall include data from the previous month.									
	NOTE: The MAC shall select "SNF 5-Claim Review									

Number	Requirement	Responsibility										
		A/BDSharedMACMSystemEMaintain						tem		Other		
		A	В	H H H	M A C	F I S S	M C S	V M S	C W F			
	Probe and Educate" in the drop-down under the column "Reason for Review."											
13164.13	The MAC shall include progress regarding the SNF 5- Claim Review project in the monthly status report detailing the activities and the current status of reviews, as well as, challenges or successes.	X										
13164.14	The MAC shall no longer include in the provider notification letter language informing the provider that they can request additional time to respond to the ADR should they be experiencing burden	X										
13164.15	The MAC should accept documentation received after 45-calendar days for good cause. Good cause means situations such as natural disasters, interruptions in business practices, or other extenuating circumstances that the contractor deems good cause in accepting the documentation.	X										
13164.16	The MAC shall close the round of review if 5 claims are not billed within 12 months.	X										
13164.17	The MAC shall use their easily curable error processes should reviewers identify an easily curable error, and have a mechanism for reaching a provider/supplier point of contact that may be able to provide the compliant documentation.	X										
13164.18	For dates of service during the PHE only, the MAC shall exclude claims containing the COVID-19 diagnosis, when possible.	X										
13164.19	For claims with dates of service during the PHE, if the COVID-19 diagnosis does inadvertently fall into a	Х										

Number	Requirement	Responsibility											
			A/B D Shared							Other			
		N	MAG	С	M		Sys						
				1	E		aint						
		Α	В	H	м	F	M		C				
				H H	A	I S	C S	M S	W F				
				11	C	S S	3	3	I,				
	sample, the MAC shall release the claim if identified during review. Note: CMS will provide additional instruction regarding this issue prior to the end of the PHE.												
13164.20	The MAC shall apply any applicable flexibilities and waivers when reviewing claims for dates of service after March 1, 2020 until the end of the Public Health Emergency.	X											
	Note: These flexibilities and waivers can be found at https://www.cms.gov/about-cms/emergency- preparedness-response-operations/current- emergencies/coronavirus-waivers												
13164.21	The MAC shall include SNF 5 Claim Review Probe and Educate claims in the list submitted to the Medical Review Accuracy Contract (MRAC) (mracmail@religroupinc.com) on or before the 20th of each month. The list shall include those claims reviewed by the MAC during the prior month.	X											
13164.22	The MAC shall continue to follow the existing accuracy review process with regard to submitting documentation.	X											
13164.23	The MAC shall, at the conclusion of the review of the first 20% of providers, send a detailed report to (Insert POCs) that provides detailed results of the reviews.	X											
13164.23. 1	The MAC shall include in the report the number of providers with 1, 2, 3, 4 and 5/5 errors, top 10 error reasons, and their rate of occurrence number and method of educational interventions.	X											
13164.24	The MAC shall prioritize for TPE review for providers who at the conclusion of the SNF 5 claim review project have 5/5 claims in error, if SNF is included in	X											

Number	Requirement	Responsibility								
			A/B		D	S	nare	ed-		Other
		N	MAC M				yste			
		E				Ma	ntai	ne	rs	
		Α	В	Н		F	M	V	С	
				Н	Μ	Ι	C ] ]	Μ	W	
				Н	Α	S	5   5	S	F	
					С	S				
	their existing Medical Review Strategy.									

## **III. PROVIDER EDUCATION TABLE**

Number	Requirement	Re	spo	nsib	ility	
			A/B MA(		D	C
				_	M E	E D
		A	В	H H H	M A C	I
13164.25	Medicare Learning Network® (MLN): CMS will market provider education content through the MLN Connects® newsletter shortly after CMS releases the CR. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 instructions for distributing the MLN Connects newsletter information to providers and link to relevant information on your website. You may supplement MLN content with your local information after we release the MLN Connects newsletter. Subscribe to the "MLN Connects" listserv to get MLN content notifications. You don't need to separately track and report MLN content releases when you distribute MLN Connects newsletter content per the manual section referenced above.	X				

## IV. SUPPORTING INFORMATION

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

"Should" denotes a recommendation.

X-Ref	Recommendations or other supporting information:
Requirement	
Number	

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

## V. CONTACTS

 $\label{eq:pre-Implementation Contact(s): Heather Wetherson, heather.wetherson@cms.hhs.gov, Susan Shuman, susan.shuman@cms.hhs.gov$ 

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**