

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-08 Medicare Program Integrity</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 13762</b>	<b>Date: May 27, 2026</b>
	<b>Change Request 14456</b>

**SUBJECT: Updates of Chapters 4 and 8 in Publication (Pub.) 100-08, Including Updates to the Existing Payment Suspension Process Guidance**

**I. SUMMARY OF CHANGES:** The purpose of this Change Request (CR) is to revise various sections within Chapters 4 and 8 in Pub. 100-08. The revisions include updates to the “When Suspension of Payment May Be Used” process and the “Procedures for Implementing a Payment Suspension” process.

These updates do not affect the provider and/or beneficiary populations. Rather, these updates are solely related to contractor technical processes and procedures. All updates ensure our contractors have the most recent guidance. This CR does not require Provider Education.

**EFFECTIVE DATE: June 29, 2026**

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

**IMPLEMENTATION DATE: June 29, 2026**

***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.*

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
R	4/4.7/4.7.1/4.7.1.2/Case Coordination with UPICs
R	8/8.3/8.3.1/8.3.1.1/Credible Allegation of Fraud Exists Against a Provider - Fraud Suspensions
R	8/8.3/8.3.1/8.3.1.2/Reliable Information that an Overpayment Exists - General Suspensions
R	8/8.3/8.3.1/8.3.1.3/Reliable Information that the Payments to Be Made May Not Be Correct - General Suspensions
R	8/8.3/8.3.1/8.3.1.4/Provider Fails to Furnish Records and Other Requested Information - General Suspensions
R	8/8.3/8.3.2/8.3.2.1/CMS Approval
R	8/8.3/8.3.2/8.3.2.2/8.3.2.2.1/Issuing a Prior Notice versus Issuing a Concurrent Notice
R	8/8.3/8.3.2/8.3.2.4/Duration of the Payment Suspension
R	8/8.3/8.3.2/8.3.2.5/Terminating the Payment Suspension
R	8/8.3/8.3.3/8.3.3.1/DME Payment Suspensions (MACs and UPICs)

### **III. FUNDING:**

#### **For Medicare Administrative Contractors (MACs):**

The MAC 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

Pub. 100-08	Transmittal: 13762	Date: May 27, 2026	Change Request: 14456
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## **II. GENERAL INFORMATION**

**A. Background:** The purpose of this CR is to update sections in Chapters 4 and 8 in Pub. 100-08. Specifically, guidance in Chapter 8 is being updated to instruct contractors of the “When Suspension of Payment May Be Used” process and the “Procedures for Implementing a Payment Suspension” process.

**B. Policy:** This CR does not involve any legislative or regulatory policies.

## **III. BUSINESS REQUIREMENTS TABLE**

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

Num ber	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared-System Maintainers				Oth er
		A	B	H H H		FI SS	M CS	V M S	C W F	
14456 .1	The contractor shall be advised that the Center for Program Integrity (CPI) identified the following types of investigations that shall be discussed during the case coordination meetings: Immediate Advisements; Extrapolated Overpayment Requests (not associated with a Payment Suspension); 100% Prepayment Review Requests; Unified Program Integrity								UPI Cs	





Num ber	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared-System Maintainers				Oth er
		A	B	H H H		FI SS	M CS	V M S	C W F	
	by completing the "Termination Recommendation Information" section of the AAR and submit it via the UCM at least 14 calendar days prior to the anticipated payment suspension expiration date.									
14456 .9	The contractor shall be advised that the UPIC that recommends the national payment suspension to CPI shall become the "Lead" UPIC for the payment suspension if the payment suspension is approved.								UPI Cs	
14456 .10	The non-lead UPIC shall notify and request permission from their BFL to opt out of the medical review if a non-lead UPIC determines that medical review would not be appropriate in their jurisdiction for subject provider.								UPI Cs	

#### IV. PROVIDER EDUCATION

None

**Impacted Contractors:** None

#### V. 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

#### VI. CONTACTS

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

## **VII. FUNDING**

### **Section A: For Medicare Administrative Contractors (MACs):**

The MAC 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**

# Medicare Program Integrity Manual

## Chapter 4 - Program Integrity

Table of Contents

*(Rev. 13762 ; Issued: 05-27-26)*

### Transmittals for Chapter 4

#### **4.7.1.2 - Case Coordination with UPICs**

*(Rev.: 13762; Issued: 05-27-26 ; Effective: 06-29-26 ; Implementation: 06-29-26)*

UPICs shall discuss their top investigations with CMS during regularly scheduled case coordination meetings.

The purpose of these meetings is to ensure that the contractor's top investigations are shared with all relevant stakeholders to ensure the appropriate parties handle a specific case as expeditiously as possible. In addition, CPI identified the following types of investigations that shall be discussed during the case coordination meetings:

- Immediate Advisements (IA);
- Extrapolated Overpayment Requests (not associated with a Payment Suspension);
- 100% Prepayment Review Requests;
- **UPIC** Payment Suspension **Recommendations**;
- Revocation Requests;
- Potential Referrals to Law Enforcement.

# **Medicare Program Integrity Manual**

## **Chapter 8 – Administrative Actions and Sanctions and Statistical Sampling for Overpayment Estimation**

**Table of Contents**

*(Rev. 13762 ; Issued: 05-27-26)*

**Transmittals for Chapter 8**

### 8.3.1.1 – Credible Allegation of Fraud Exists Against a Provider - Fraud Suspensions

*(Rev.: 13762; Issued: 05-27-26; Effective: 06-29-26; Implementation: 06-29-26)*

A payment suspension may be used when the UPIC, law enforcement, or CMS determines that a credible allegation of fraud exists against a provider or supplier (hereinafter referred to as provider). For purposes of section 8.3 et seq., these types of payment suspensions will be called “fraud suspensions.”

Fraud suspensions may also be imposed for reasons not typically viewed within the context of false claims. For example:

- The Quality Improvement Organization (QIO) has reviewed inpatient claims and determined that the diagnosis related groups (DRGs) have been upcoded.
- The UPIC or MAC may suspect a violation of the physician self-referral ban. For this reason, the violation may be considered the cause for a payment suspension since claims submitted in violation of this statutory provision must be denied and any payments made would constitute an overpayment.
- Even though services are rendered and may be determined as medically necessary and reasonable by the Medicare contractor, law enforcement has credible allegations of kickbacks.
- Forged signatures on medical record documentation (e.g., Certificates of Medical Necessity (CMN), treatment plans, etc.) and/or other misrepresentations on Medicare claims or associated forms to obtain payment that would result in an overpayment determination.

Whether or not the UPIC recommends a payment suspension to CMS, the final determination is determined on a case-by-case basis and requires review and analysis of the allegation and facts. The following information is provided to assist the UPIC in deciding when to recommend a payment suspension to CPI.

#### A. Complaints

There is considerable latitude with regard to complaints alleging fraud, waste, and abuse. The provider’s Medicare history, including the volume and frequency of complaints concerning the provider, and the nature of the complaints all contribute to whether a payment suspension should be referred to CPI. If there is a credible allegation(s) that a provider is submitting or may have submitted false claims, the UPIC may recommend a fraud suspension to CPI only after the UPIC has vetted the provider in accordance with Pub. 100-08, chapter 4, section 4.6. (If the MAC identifies the potential fraud issue from a complaint, the MAC shall refer its information to the respective UPIC for development).

#### B. Requests for Suspension of Payment

For initial UPIC requests to suspend payments, the UPIC shall inform its assigned BFL of the potential suspension. The BFL will discuss all findings with the UPIC. After informing the BFL about the suspension, the contractor shall *complete the payment suspension Administrative Action Recommendation (AAR) and* submit the payment suspension *recommendation* via the UCM if the contractor determines such action is warranted. The AAR *shall serve as the UPIC’s documented recommendation for CMS’ consideration of a payment suspension and, when completed, include the UPIC’s findings and all pertinent provider/supplier information. The AAR, draft notice of suspension, and all other relevant*

documentation that supports the suspension *recommendation* shall be uploaded by the contractor as part of the UCM submission.

The UPIC shall also prepare and submit, if appropriate, a payment suspension referral package to CPI via the UCM for all requests received from (but not limited to):

- CMS
- Office of Inspector General (OIG)
- Federal Bureau of Investigation (FBI)
- Assistant United States Attorney (AUSA)
- Other law enforcement agencies

### **C. Other Situations**

Other situations that may be considered when recommending a fraud suspension to CPI include, but are not limited to:

- Provider has pled guilty to, or been convicted of, Medicare, Medicaid, TRICARE, or private health care fraud and is still billing Medicare for services;
- Federal/State law enforcement has subpoenaed the records of, or executed a search warrant upon, a health care provider billing Medicare;
- Provider has been indicted by a Federal Grand Jury for fraud, theft, embezzlement, breach of fiduciary responsibility, or other misconduct related to a health care program;
- Provider presents a pattern of evidence of known false documentation or statements sent to the UPIC or the MAC; e.g., false treatment plans, false statements on provider application forms.

### **D. Good Cause Exceptions**

Reference is made in 42 CFR §405.371(b)(1) that allows for good cause exceptions to not suspend payments or continue a payment suspension when there are credible allegations of fraud. These exceptions may be considered for approval by CMS if any apply:

- Law enforcement has requested that a payment suspension not be imposed because such action may compromise or jeopardize its investigation;
- CMS/CPI has determined that a beneficiary access to care issue may exist and potentially cause a danger to life or health in whole or part;
- CMS/CPI has been determined that other administrative remedies may be implemented that would be more effective in protecting Medicare funds (such as revocation, prepayment review); or
- CMS determines that the imposition or the continuation of a payment suspension is not in the best interest of the Medicare program.

Every 180 calendar days after the initiation of a payment suspension based on credible allegations of fraud, CMS is required to evaluate whether there is good cause to terminate the payment suspension. Good cause to terminate a payment suspension is deemed to exist if the payment suspension has been in effect for 18 months. However, there are two exceptions. The first exception is that the case has been referred to and is being considered by the OIG for an administrative action such as a civil monetary penalty or permissive exclusion, or such administrative action is pending, and the OIG has made its request to not terminate the payment suspension in writing. The second exception is that the Department of Justice has submitted a written request to extend the payment suspension based on the ongoing investigation and its anticipation of filing a criminal or civil action or both, or based on a pending criminal or civil action or both. (See 42 CFR §405.371(b)(2) and §405.371(b)(3).)

CMS/CPI makes the final decision on whether good cause to terminate exists, based on the totality of the circumstances. For all fraud suspensions, the UPICs shall submit requests to CPI via the UCM within 14 calendar days before the suspension expires. CPI will evaluate the request to consider whether good cause to terminate the payment suspension exists.

### **8.3.1.2 – Reliable Information that an Overpayment Exists - General Suspensions**

*(Rev.: 13762; Issued: 05-27-26 ; Effective: 06-29-26 ; Implementation: 06-29-26)*

A payment suspension may be implemented when the MAC, UPIC, or CMS possesses reliable information that an overpayment exists. In this situation, the MAC shall refer its information to the respective UPIC for development of a potential suspension. *If warranted, the UPIC shall complete the payment suspension AAR and submit the payment suspension recommendation via the UCM. The AAR shall serve as the UPIC's documented recommendation for CMS' consideration of a payment suspension and, when completed, include the UPIC's findings and all pertinent provider/supplier information. The AAR, draft notice of suspension, and all other relevant documentation that supports the suspension recommendation shall be uploaded by the contractor as part of the UCM submission.* For the purposes of this section, these types of payment suspensions will be called “general suspensions.”

**EXAMPLE (including but not limited to):** Several claimed services identified from either a prepayment or post-payment review were determined to be non-covered or miscoded. It has been determined that there is a pattern of noncompliant billings (the provider has billed this service many times before) and it is suspected that there may be a substantial number of additional non-covered or miscoded claims paid in the past.

### **8.3.1.3 – Reliable Information that the Payments to Be Made May Not Be Correct - General Suspensions**

*(Rev.: 13762; Issued: 05-27-26 ; Effective: 06-29-26 ; Implementation: 06-29-26)*

A payment suspension may be implemented when the MAC or UPIC or CMS possesses reliable information that the payments to be made may not be correct. In this situation, the MAC shall refer its information to the respective UPIC for development of a potential suspension. *If warranted, the UPIC shall complete the payment suspension AAR and submit the payment suspension recommendation via the UCM. The AAR shall serve as the UPIC's documented recommendation for CMS' consideration of a payment suspension and, when completed, include the UPIC's findings and all pertinent provider/supplier information. The AAR, draft notice of suspension, and all other relevant documentation that supports the suspension recommendation shall be uploaded by the contractor as part of the UCM submission.* For the purposes of this section, these types of payment suspensions will be called “general suspensions.”

**EXAMPLE (including but not limited to):** Several claimed services identified from a post-payment review were determined to be non-covered or miscoded. It has been determined that the provider has not changed its billing behavior and it is suspected that there may be a continuance of non-covered or miscoded claimed services to be billed in the future.

### **8.3.1.4 – Provider Fails to Furnish Records and Other Requested Information - General Suspensions**

***(Rev.: 13762; Issued: 05-27-26 ; Effective: 06-29-26 ; Implementation: 06-29-26)***

A payment suspension may be used when the MAC, UPIC, or CMS possesses reliable information that the provider has failed to furnish records and other information requested or that is due, and which is needed to determine the amounts due the provider. In this situation, the MAC shall refer its information to the respective UPIC for development of a potential suspension. *If warranted, the UPIC shall complete the payment suspension AAR and submit the payment suspension recommendation via the UCM. The AAR shall serve as the UPIC's documented recommendation for CMS' consideration of a payment suspension and, when completed, include the UPIC's findings and all pertinent provider/supplier information. The AAR, draft notice of suspension, and all other relevant documentation that supports the suspension recommendation shall be uploaded by the contractor as part of the UCM submission.* For the purposes of this section, these types of payment suspensions will be called “general suspensions.”

**EXAMPLE (including but not limited to):** During a post-payment review, medical records and other supporting documentation are solicited from the provider to support payment. The provider fails to submit the requested records after two attempts. The UPIC may request a payment suspension due to non-response from the provider.

In lieu of imposing a payment suspension, the MAC or UPIC may deny the paid claims because the provider failed to provide the requested documentation after two attempts. In either case, the MAC or UPIC should determine if the provider is continuing to submit claims for the services in question and take appropriate action(s) to correct the behavior.

**NOTE:** In the above example, if the only reason for the payment suspension is the failure by the provider to furnish the requested records, and if the provider does eventually provide the requested information, the UPIC shall discuss this matter with CPI for guidance.

**EXAMPLE (including but not limited to):** The provider fails to timely file an acceptable cost report. Refer to 42 CFR §405.371(d). (NOTE: Such requests regarding the timely filing of an acceptable cost report shall be submitted only to and approved by the CMS, Office of Financial Management and not CPI.)

### **8.3.2.1 – CMS Approval**

***(Rev.: 13762; Issued: 05-27-26 ; Effective: 06-29-26 ; Implementation: 06-29-26)***

If the UPIC believes that a UPIC-initiated Payment Suspension is a viable option for an investigation, they shall update UCM appropriately to ensure the case is included on the next case coordination meeting agenda for discussion. For national or multi-regional suspensions, only the lead UPIC shall discuss the suspension at the case coordination meeting.

During the case coordination meeting, if CMS agrees that the criteria for Payment Suspension is met, CMS will instruct the UPIC to submit the Payment Suspension *recommendation(s)* with the completed AAR form to CPI through the UCM. The Payment Suspension team member will review the submissions and make a formal determination as to whether a Payment Suspension is a viable option.

During the case coordination meeting, the UPIC may receive additional guidance from CMS related to subsequent actions related to these investigations. If the UPIC has questions following the case coordination meeting, the UPIC shall coordinate with its COR, BFL, and/or suspension team member, as needed.

When a payment suspension is approved by CPI, the UPIC shall inform the respective MAC of this action and the MAC shall effectuate the suspension of payments to the provider unless prior notice of the payment suspension is necessary. When prior notice is necessary, the MAC shall effectuate the suspension of payment in concert with the established date from the payment suspension notice.

For all payment suspensions, the UPIC shall request the MAC implement a “payment suspension” or “partial payment suspension” when applicable. For all payment suspensions and emergency payment suspensions, the MAC shall no longer use "F\_Fraud and Abuse", “F\_CMS Request” or “P\_CMS Request” HIGLAS hold reason codes for UPIC requested payment suspension activities. MACs shall only use "F\_PSC Request" (Full Hold) or “P\_PSC Request”(Partial Hold) HIGLAS hold reason codes going forward for all UPIC requested payment suspension and emergency payment suspension activities.

UPICs shall not request that MACs create placeholder debts or “escrow amounts” based on anticipated provider settlements. The MAC shall no longer create these debts in HIGLAS. If a UPIC requests a MAC to create a placeholder debt, the MAC shall reach out to OFM for guidance before any action is taken.

The MACs shall ensure that all money on the payment floor is not released to the provider after the effective date of the suspension and the money is withheld in accordance with the payment suspension rules and regulations. MACs shall provide an accounting of the money withheld on day one of the payment suspension to the UPIC. The UPIC shall enter this amount in the UCM as the first monetary entry.

Unless otherwise specified, when a payment suspension is imposed, no payments are to be released to the provider as of the effective date of the payment suspension. This includes payments for new claims processed, payments for adjustments to claims previously paid, interim PIPs. If it is discovered that money is released to the provider after the effective date of the payment suspension, the MAC or UPIC shall contact CPI for guidance.

#### **8.3.2.2.1 – Issuing a Prior Notice versus Issuing a Concurrent Notice** *(Rev.: 13762; Issued: 05-27-26 ; Effective: 06-29-26 ; Implementation: 06-29-26)*

UPICs shall inform the provider of the payment suspension action being taken. When prior notice is appropriate, the UPIC shall, in most instances, give at least 15 calendar days’ prior notice before effectuating the payment suspension. Day one begins the calendar day after the notice is mailed.

- A. If the Medicare Trust Fund would be harmed by giving prior notice: the UPIC shall recommend to CPI not to give prior notice if, in the UPIC’s opinion, any of the following apply:
1. A delay in implementing the payment suspension will cause the overpayment to rise at an accelerated rate (i.e., dumping of claims);
  2. There is reason to believe that the provider may flee the MAC’s jurisdiction before the overpayment can be recovered;

3. The MAC or UPIC has first-hand knowledge of a risk that the provider will cease or severely curtail operations or otherwise seriously jeopardize its ability to repay its debts; or
4. A delay may impact law enforcement's investigation.

If CPI approves waiver of the prior notice requirement, the UPIC shall send the provider notice concurrent with implementation of the payment suspension, but no later than 5 calendar days after the payment suspension is imposed. If additional time is needed to release the notice, the UPIC shall confer with CPI for guidance.

- B. If the reason for the payment suspension *recommendation* is because the provider failed to furnish requested information, the UPIC shall recommend that CPI waive the prior notice. If CPI concurs to waive the prior notice requirement, the UPIC shall send the provider notice concurrent with implementation of the payment suspension, but no later than 5 calendar days after the payment suspension is imposed. If additional time is needed to release the notice, the UPIC shall confer with CPI for guidance.
- C. If the payment suspension *recommendation* is *for* a fraud suspension, the UPIC shall recommend to CPI that prior notice not be given. If CPI concurs to waive the prior notice requirement, the UPIC shall send the provider notice concurrent with implementation of the payment suspension, but no later than five calendar days after the payment suspension is imposed. If additional time is needed to release the notice, the UPIC shall confer with CPI for guidance.

### **8.3.2.4 – Duration of the Payment Suspension**

*(Rev.: 13762; Issued: 05-27-26 ; Effective: 06-29-26 ; Implementation: 06-29-26)*

#### **A. Time Limits for General Suspensions**

If CPI approves a general suspension, it will be for a 180 calendar day period. The UPIC shall complete its medical review and any subsequent activities (i.e., statistical sampling extrapolation, draft overpayment determination notice, etc.) during the initial 180 days of a general suspension. CMS expects the medical reviews to be completed and the calculation of any potential overpayments to be determined before the end of the initial suspension period. Only in rare instances will an extension be granted.

If an extension is required, the UPIC shall request an extension of an additional 180 calendar days if time is needed to complete the overpayment determination. Only CPI may approve the request to extend the period of the payment suspension for up to an additional 180 calendar days upon the written request of the UPIC. The request to CPI to extend the payment suspension shall provide the following:

- *Completion of the “Extension Recommendation Information” section of the AAR.* A draft of the proposed payment suspension extension notice following the format noted in section 8.3.2.2 of this chapter (in a word document format);
- A timeline of the completion of the medical review; and
- Any other supporting documentation.

If approved for an extension, the period of time shall not exceed 180 calendar days. General suspensions shall not continue beyond 360 calendar days. However, there may be an occasion when the information gathered by the UPIC during its review supports a change from a general suspension to a fraud suspension. Only with CPI approval may the category of the type of payment suspension be transitioned from a general payment suspension to a fraud suspension. If the transition from a general payment suspension to a fraud payment

suspension is approved, the provider must be informed of the new development by the UPIC with a CPI-approved notice. Additionally, the provider must be afforded the opportunity for rebuttal.

## **B. Exceptions to Time Limits for Fraud Suspensions**

If a payment suspension is based on credible allegations of fraud, the payment suspension may continue beyond 360 days with a written request for an extension from law enforcement. An extension may be warranted if there has not been a resolution of law enforcement's investigation of the potential fraud. After 18 months, good cause not to continue a payment suspension is deemed to exist unless certain criteria are satisfied. (See 42 C.F.R. §405.371(b)(3).) To extend a fraud suspension beyond 18 months:

- The Department of Justice must submit a written request for an extension. Requests must include: 1) the identity of the person or entity under the payment suspension, 2) the amount of time needed for continuation of the payment suspension in order to conclude the criminal or civil proceeding or both, and 3) a statement of why and/or how criminal and/or civil actions may be affected if the payment suspension is not granted.
- The OIG must submit a written request to extend the payment suspension because the case is being considered by the OIG for an administrative action (e.g., permissive exclusions, CMPs) or such action is pending. However, this exception does not apply to pending criminal investigations by OIG.

## **C. Provider Notice of the Extension**

The UPIC shall obtain CPI approval for the extension request and draft notice, and shall notify the provider if the suspension action has been extended. The UPIC shall prepare a "draft extension notice" (in accordance with section 8.3.2.2 of this chapter) and submit it via the UCM, along with any other supportive information, to CPI for approval 30 calendar days prior to the suspension's expiration date (limited early submissions are acceptable based on operational realities). If the 30th day falls on a non-business day, the UPIC shall submit the request on the next business day. The draft notice shall follow the model language provided in the exhibits and shall include, at a minimum:

- The date the payment suspension will be extended (**NOTE:** The date is to be the same date the payment suspension was to expire);
- The reason for extending the payment suspension; and
- That CMS has approved the extension of the payment suspension.

Upon approval of the notice from CPI, the UPIC shall provide a copy of the signed notice to CPI via the UCM.

### **8.3.2.5 – Terminating the Payment Suspension**

*(Rev.: 13762; Issued: 05-27-26 ; Effective: 06-29-26 ; Implementation: 06-29-26)*

The UPIC shall recommend to CPI that the payment suspension be terminated prior to the payment suspension expiring. The UPIC shall *initiate this recommendation by completing the "Termination Recommendation Information" section of the AAR and submit it* via the UCM at least 14 calendar days prior to the anticipated payment suspension expiration date. No action associated with the termination shall be taken without the explicit approval of CPI. The UPIC shall prepare a "draft termination notice" (in accordance with section 8.3.2.2 of

this chapter) and send it, along with a draft overpayment notice(s) and any other supportive information, to CPI for approval.

The UPIC shall recommend to CPI that a suspension be terminated when any of the following occur:

- The basis for the payment suspension action was that an overpayment may exist or money to be paid may be incorrect, and the UPIC has determined the amount of the overpayment, if any.
- The basis for the payment suspension action was that a credible allegation of fraud exists against the provider, and the amount of the overpayment has been determined.
- The basis for the payment suspension action was that payments to be made may not be correct, and the UPIC has determined that current payments to be made are now correct, and any associated overpayments have been determined.
- The basis for the payment suspension action was that the provider failed to furnish records, and the provider has now submitted all appropriate requested records.

When the payment suspension is terminated, the disposition of the withheld funds shall be achieved in accordance with 42 CFR §405.372(e) and the payment suspension edit withholding the provider's funds is removed in the MAC system accordingly, within 60 days. Upon approval of the termination notice by CPI, the UPIC shall provide a copy of the signed notice via the UCM to CPI.

### **8.3.3.1 – DME Payment Suspensions (MACs and UPICs)**

*(Rev.: 13762; Issued: 05-27-26 ; Effective: 06-29-26 ; Implementation: 06-29-26)*

For national payment suspensions involving durable medical equipment (DME) suppliers that are enrolled in multiple jurisdictions, the following is applicable for DME MACs and UPICs:

- When CMS suspends payments to a DME supplier, all payments to the supplier are suspended in all DME jurisdictions if the same Tax Identification Number is used. The information (whether based on fraud or non-fraud) that payments should be suspended in one DME jurisdiction is sufficient reason for payment suspension decisions to apply to the other locations.
- The UPIC that *recommends* the national payment suspension to CPI shall become the “Lead” UPIC for the payment suspension if the payment suspension is approved. The Lead UPIC is responsible for informing the other UPICs (non-lead UPICs) of the payment suspension being initiated and for the coordination of the payment suspension activities. CMS suggests that monthly contractor calls be held to communicate the current activities of the national suspension by each of the contractors.
- The Lead UPIC is responsible for coordinating and reporting to its BFL, with a copy to their COR, whether the non-lead UPICs are compliant with the payment suspension timeframe and activities.
- All non-lead UPICs are responsible for determining an overpayment(s) for its jurisdiction. Non-lead UPICs shall take into account the findings of the Lead

UPIC and take appropriate measures (prepayment review, etc.) to protect and safeguard Medicare Trust Fund dollars from being inappropriately paid.

For UPIC-initiated DME payment suspensions:

- Each UPIC shall be responsible for ensuring that the payment suspension edit has been initiated in its respective DME MAC jurisdiction and has communicated this to the lead UPIC. If *a* non-lead UPIC determines that medical review would not be appropriate in their jurisdiction for subject provider, *the* non-lead UPIC shall notify and request permission from their BFL to opt out of the medical review.
- The Lead UPIC shall create both a CSE record, if not already created, to track the investigative activities and a PSP record to track the activities specific to the payment suspension in UCM. The lead UPIC shall check the “lead” checkbox. Non-lead UPICs shall not create a separate PSP and is responsible for timely updating the lead UPIC’s PSP with monthly suspended amounts within their jurisdictions, as well as adding any pertinent comments and/or documentation.

Non-lead UPICs shall create a CSE and the appropriate administrative action records to track their activities.