CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 2403	Date: November 27, 2019
	Change Request 11285

Transmittal 2329, dated August 2, 2019, is being rescinded and replaced by Transmittal 2403, dated, November 27, 2019 to remove business requirements 11285.4.1 and 11285.4.2. All other information remains the same.

**SUBJECT:** Automation of Part B Underpayment Processing of Recovery Audit Contractor (RAC) Adjustments

**I. SUMMARY OF CHANGES:** This Change Request will allow for the processing of RAC-identified Part B underpayments without manual intervention by the Medicare Administrative Contractor (MAC).

### **EFFECTIVE DATE: January 1, 2020**

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

**IMPLEMENTATION DATE: January 6, 2020** 

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**

Pub. 100-20	Transmittal: 2403	<b>Date: November 27, 2019</b>	Change Request: 11285
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**SUBJECT:** Automation of Part B Underpayment Processing of Recovery Audit Contractor (RAC) Adjustments

**EFFECTIVE DATE: January 1, 2020** 

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#### I. GENERAL INFORMATION

- **A. Background:** Historically, the process for RACs and MACs to adjust identified underpayments within the Multi-Carrier System (MCS) system has not been automated. When the RAC identifies underpayments, the MAC must manually adjust the claims resulting in a greater risk to the beneficiary and supplier as claim information is transmitted outside of the mass adjustment process.
- **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	Number Requirement Responsibility											
			1 1/ 2						Sys	red- tem aine		Other
		A	В	H H H	M A C	_	M C S		C W F			
11285.1	The contractor shall no longer map the RAC adjusted MTUS Count field to the MCS Quantity Allowed Field for RAC-identified underpayments.						X					
11285.2	The contractor shall overlay the original Quantity Billed with the new value submitted by the RAC.						X					
11285.3	The contractor shall allow the RAC-identified underpayment to increase the Allowed Amount up to the Billed Amount.						X					
11285.4	The contractors shall participate during the User Acceptance Testing (UAT) sessions to test the changes. (December 2019).		X				X			RAC		
11285.4.1	This business requirement has been deleted.		X							RAC		

Number	Requirement	Re	espo	nsil	bilit	y				
		A/B D MAC M			D M			red- tem		Other
				Е		Maintainers				
		A	В	Н	M	F	M		C	
				H H	A C	I S S	C S	M S	W F	
11285.4.2	This business requirement has been deleted.		X							RAC
11285.4.3	The contractors shall, during the UAT period in December, be available for up to 2, one-hour, calls to be scheduled by CMS, for all parties to discuss any testing issues that may occur.		X				X			RAC
11285.4.3	The contractors shall post the minutes of the meeting for their specific issues being discussed during the call within 2 business days of the meeting in eChimp.		X							RAC
11285.4.4	The contractor shall send the UAT point of contact (POC) email address to Ashley.Badami@cms.hhs.gov no later than 10 days following finalization of this CR.		X				X			RAC

# III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
			4 (75)			
			A/B		D	C
		l	MA(	7	M	E
					Е	D
		A	В	Н		I
				Н	M	
				Н	Α	
					C	
	None					

# IV. SUPPORTING INFORMATION

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

<sup>&</sup>quot;Should" denotes a recommendation.

X-Ref	Recommendations or other supporting information:
Requirement	
Number	

Section B: All other recommendations and supporting information:  $\ensuremath{\mathrm{N/A}}$ 

# V. CONTACTS

**Pre-Implementation Contact(s):** Alex Ambridge, 410-786-8411 or alex.ambridge@cms.hhs.gov

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

#### VI. FUNDING

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

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**ATTACHMENTS: 0**