

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1861	Date: June 29, 2017
	Change Request 10073

Transmittal 1855, dated June 2, 2017, is being rescinded and replaced by Transmittal 1861, dated, June 29, and 2017, Year to revise Business Requirement 10073.13 to change the reporting date from the 10th of the month to the 20th of the month and to replace the flowchart attachment with an updated flowchart attachment. All other information remains the same.

SUBJECT: Targeted Probe and Educate Pilot

I. SUMMARY OF CHANGES: The CMS is expanding the existing Targeted Probe and Educate (TPE) Pilot to include three additional contractors, Jurisdictions B, D, E, and F. The purpose of this expansion is to test the TPE strategy for Durable Medical Equipment as well as urban regions.

EFFECTIVE DATE: July 3, 2017

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

IMPLEMENTATION DATE: July 3, 2017

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/revise 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	

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: 1861	Date: June 29, 2017	Change Request: 10073
-------------	-------------------	---------------------	-----------------------

Transmittal 1855, dated June 2, 2017, is being rescinded and replaced by Transmittal 1861, dated, June 29, 2017, to revise Business Requirement 10073.13 to change the reporting date from the 10th of the month to the 20th of the month and to replace the flowchart attachment with an updated flowchart attachment. All other information remains the same.

SUBJECT: Targeted Probe and Educate Pilot

EFFECTIVE DATE: July 3, 2017

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

IMPLEMENTATION DATE: July 3, 2017

I. GENERAL INFORMATION

A. Background: The 2014/2015 MAC Probe & Educate medical review strategy for hospital inpatient status cases produced favorable outcomes with respect to educating providers/suppliers and reducing improper payments. The Probe & Educate strategy is also being employed for Home Health, which has received similar appreciation from providers and MACs. Targeted Probe & Educate expanded on that concept by allowing the MACs to select their review topics, based upon their own strategies. The size of the probe and the way education is provided have also been modified to improve effectiveness. The CMS has seen very positive results during early findings from a currently running pilot for this program as well as modifications to existing programs as a result of lessons learned. The CMS believes that this strategy will demonstrate measurable reductions in the number of claims denied and the number and merit of appeals.

In each of these previous Probe & Educate strategies, CMS – not the MAC – chose the topic for review. In addition, each involved the MAC reviewing EVERY PROVIDER who billed the chosen topic.

The CMS would like to expand our pilot for this new medical review strategy, called Targeted Probe & Educate. This will pilot a variation of the past Probe & Educate medical review strategies. The key elements of this Pilot include:

- Replace all current complex and routine reviews in the MAC's Improper Payment Reduction Strategy (IPRS) with three rounds of a pre-payment Targeted Probe & Educate process. This pilot will be for the medical review process in one MAC jurisdiction. This instruction excludes any reviews or pilots that are otherwise mandated by CMS.
- If high denial rates continue after 3 rounds, the MAC shall refer to CMS for additional action, which may include extrapolation, referral to the ZPIC/UPIC, referral to the RAC, etc. (See diagram, Attachment A)
- The MAC, rather than CMS, will select the topics for review (based on existing data analysis procedures)
- The MAC can target the strategy on the providers most likely to be submitting non-compliant claims, rather than reviewing 100% of the providers
- Limit the sample for each probe "round" to a minimum of twenty (20) and a maximum of forty (40) claims

This pilot strategy is designed to further test the efficiency of a targeted medical review process that includes education with the option for potential elevated action, which may include additional prepay review, extrapolation, referral to the ZPIC/UPIC, referral to the RAC, etc., and to determine its ability to reduce/prevent improper payments and reduce appeals. In the future, CMS could expand this pilot to other MAC jurisdictions.

Other than complex and routine reviews, the MAC may continue to conduct other types of medical review activities such as automated reviews, comparative billing reports, other pilot review strategies, etc. Additionally, claims with evidence of systematic gaming, abuse or other aberrations in the delivery of healthcare services/supplies could warrant limited medical review followed by ZPIC referral at any time.

B. Policy: The pilot MAC shall cease all traditional complex reviews, routine reviews, and all documentation compliance reviews (DCRs). The MAC shall, instead, implement a provider-specific Targeted Probe Educate program of an item, service, and/or device.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility									
		A/B MAC			DME MAC	Shared-System Maintainers				Other	
		A	B	H H H		F I S S	M C S S	V M S	C W F		
10073.1	The MAC shall use this change request as direction to conduct targeted medical review and reporting under the Targeted Probe & Educate medical review strategy.										JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC
10073.2	The MAC shall use their Improper Payment Reduction Strategy to determine the targeted items, services, devices, and/or providers of the pilot.										JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC
10073.2.1	The MAC shall have the option, however, to refer the provider/supplier to the ZPIC/UPIC for additional review.										JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC
10073.3	The MAC shall create a notification letter that will sent to providers/suppliers being targeted for review that will: 1. outline the targeted probe & educate process, and 2. notify providers/suppliers that MACs shall have the option to refer providers/suppliers to the RAC or ZPIC/UPIC as a result of non-response to ADRs.										JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC
10073.3.1	The MAC shall provide a copy of this letter to CMS for review and approval prior to sending to providers. Copies shall be sent via email to Heather Wetherson										JB DME MAC, JD DME MAC,

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	
	teleconference calls, electronic visits using webinar technology, or other similar technologies as they become available that enable direct communication between the MAC educator and the provider. Additional education methods will be determined by the MAC and include, but are not limited to, letters, teleconference calls, electronic visits using webinar technology and/or provider report cards. It is the intent of the education that the focus will be on improving specific issues without allowing other problems to develop.								DME MAC, JE A/B MAC, JF A/B MAC	
10073.9	The MAC shall refer providers/suppliers with continued high denial rates after 3 rounds of Targeted Probe & Educate to CMS for additional action.								JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC	
10073.10	Reporting: The MAC shall submit a report into the CMS RAC Data Warehouse on or before the 20th of each month, which shall include the data from the previous month of targeted probe and educate reviews.								JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC	
10073.11	Reporting: The MAC shall use the existing Probe and Educate File Format report process.								JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC	
10073.11.1	If necessary, the MAC shall request assistance from CMS to develop appropriate denial dispositions to be used on the report								JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC	
10073.12	Reporting: The MAC shall submit quarterly reports defining the number of denials across all claims and the number of appeal requests across all claims and targeted probe and educate claims, minimally specifying the top 5 items, services and/or devices as well as all other items, services, and/or devices (see Attachment B for an example format).								JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC	
10073.12.1	The MAC shall submit the report to the Contracting Officer Representative (COR), Heather Wetherson, Dr. Scott H. Lawrence, and your CMS Business								JB DME MAC, JD DME MAC,	

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	
	Function Lead (BFL) on or before the 20th of the month after the end of each quarter.								JE A/B MAC, JF A/B MAC	
10073.13	Reporting: The MAC shall submit a list of Probe & Educate claims reviewed, by the 20th day of each month, which shall include all decisions rendered (paid, denied, partial pay, etc), service type, provider NPI/billing provider number, and the claim's internal control number (ICN) or document control number (DCN).								JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC	
10073.13.1	CMS shall notify the MAC, via email, of the claims selected for review within 10 business days. The claims selected shall be sent to CMS within 5 business days, via password protected CD, to the points of contact identified by CMS in the email request. This report is to be sent to the contacts noted in BR10073.12.1.								JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC	
10073.14	Reporting: The MAC shall submit monthly evaluation metrics reports into CMS ART on or before the 20th of the month as outlined in Attachment C.								JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC	
10073.15	The MAC shall adjust their improper payment review strategy and medical review workloads as necessary to accommodate this change request, as no additional funding will be provided.								JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC	
10073.16	The MAC shall describe any necessary workload changes in detail, including the rationale for these changes, to their COR and Medical Review BFL.								JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC	
10073.17	After each round of 20-40 claim reviews, the MAC shall conduct a 1:1 educational intervention with the provider that reinforces compliant parameters, so as to avoid any shifts from the non-compliant factors. Note: For the purpose of this pilot, "1:1 educational intervention" shall be defined as face-to-face, teleconference calls, electronic visits using webinar technology, or other similar technologies as they								JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC	

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	
	become available that enable direct communication between the MAC educator and the provider. Additional education methods will be determined by the MAC and include, but are not limited to, letters, teleconference calls, electronic visits using webinar technology and/or provider report cards. It is the intent of the education that the focus will be on improving specific issues without allowing other problems to develop.									
10073.17.1	The MACs should conduct 1:1, intra-probe educational intervention when easily curable errors are identified, even if the the probe round is not completed.								JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC	
10073.17.1.1	MACs should request and accept new documentation from providers/suppliers when easily curable errors are identified at any time during the current round of probe reviews.								JB DME MAC, JD DME MAC, JE A/B MAC, JF A/B MAC	

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	C E D I
		A	B	H H H		
	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): Scott Lawrence, 410-786-4313 or Scott.Lawrence1@cms.hhs.gov , Heather Wetherson, 410-786-5657 or heather.wetherson@cms.hhs.gov

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

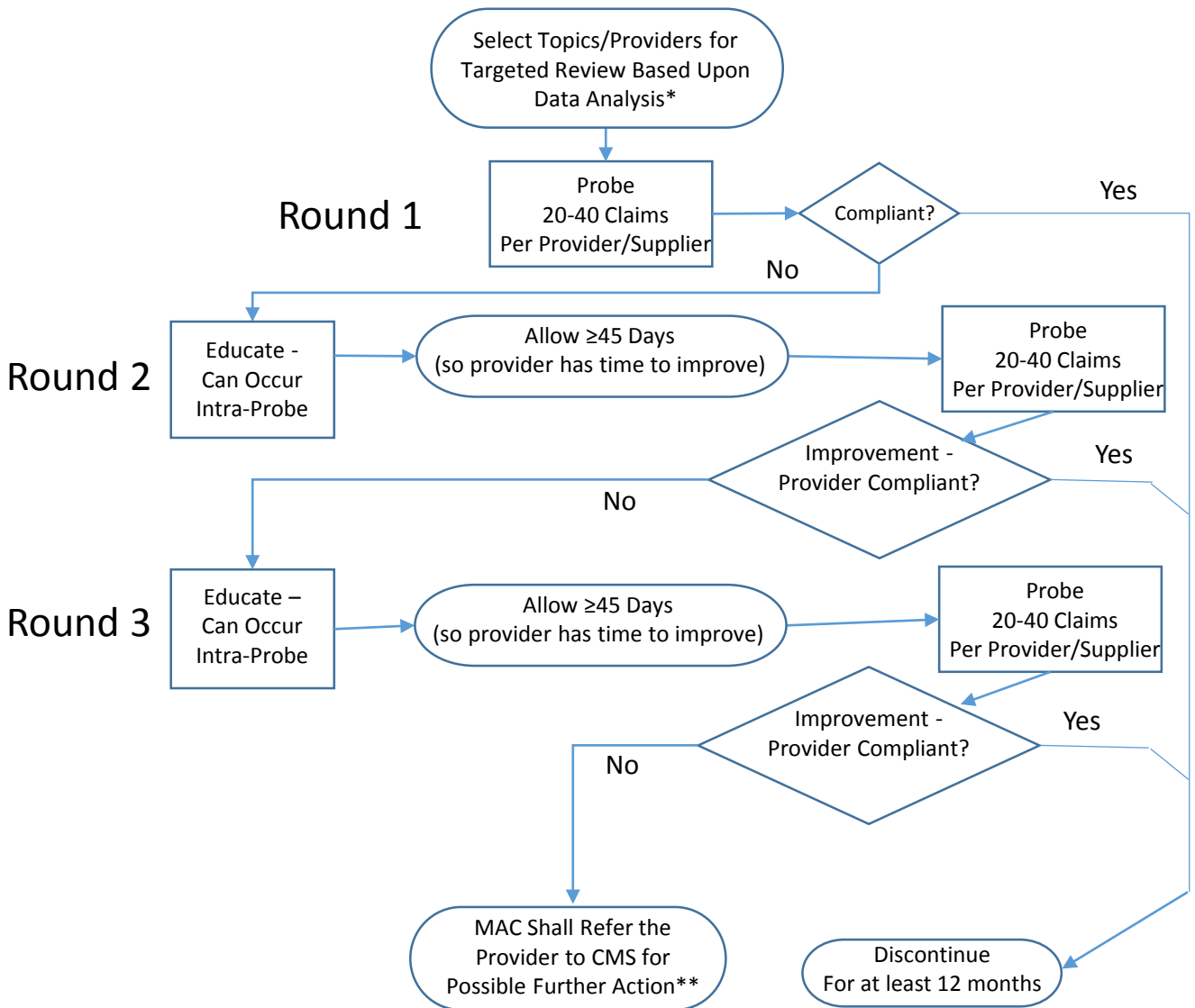
VI. FUNDING

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: 3

Targeted Probe & Educate



*Data Analysis definition per [PUB 100-08, §2.2](#)

**Further Action May Include Extrapolation, Referral To ZPIC/UPIC, etc.

Monthly Report for Targeted Probe & Educate

Monthly Data for completed Round 1 providers

Claims	Part A	Drugs
Number of Claims Reviewed in Round 1		
Number of Unique Providers - New This Month - Round 1		
Number of Unique Providers - Cumulative - Round 1		
Number of unique beneficiaries		
Number of claims submitted		0
Number of claims accepted as billed		0
Number of claims fully denied - provider		0
Number of claims fully denied - bene		0
Number of claims denied for no response to ADR		
Number of claims partially denied		0
Number of claims with code correction		0
Number of claims with code correction - education only		0
Financials		Drugs
Financial Impact per the Claims (including overturned appeals)(Total Denied \$ - Overturned \$/ Total Number of Claims)		
Financial Impact per the Claims (Simple)(Total Denied \$/Total Number of Claims)	Part A	
Financial Impact to Providers (Total Denied\$/Number of Providers)	Part A	
Submitted amount (Part A)	Part A	
Covered Amount (Part A)	Part A	
Non-covered Amount (Part A)	Part A	
Dollars in Error (Part A)	Part A	
Allowed Amount (Part B Fee Schedule)	Part B	
Amount denied (Part B)	Part B	\$ -

APM		Drugs
Number of Providers removed due to APM		

Education - Intra-Probe		Drugs
Total Number of Educational Contacts		
1 :1 - Number of Education Phone Calls		
1 :1 - Number of Education Letters sent		
1:1 - Face to Face Visits		
1 :1 - Number of Webinar/E-visits		
1:1 - Number of Post-Probe Educational Offers refused (>0% errors)		

Education - Post-Probe		Drugs
Total Number of Educational Contacts		
1 :1 - Number of Education Phone Calls		
1 :1 - Number of Education Letters sent		
1:1 - Face to Face Visits		
1 :1 - Number of Webinar/E-visits		
1:1 - Number of Post-Probe Educational Offers refused (>0% errors)		

Monthly Report for Targeted Probe & Educate

Monthly Data for completed Round 3 providers

Claims	Part A	Drugs
Number of Claims Reviewed in Round 3		
Number of Unique Providers - New This Month - Round 3		
Number of Unique Providers - Cumulative - Round 3		
Number of unique beneficiaries		
Number of claims submitted		0
Number of claims accepted as billed		0
Number of claims fully denied - provider		0
Number of claims fully denied - bene		0
Number of claims denied for no response to ADR		
Number of claims partially denied		0
Number of claims with code correction		0
Number of claims with code correction - education only		0

Financials		Drugs
Financial Impact per the Claims (including overturned appeals)(Total Denied \$ - Overturned \$/ Total Number of Claims)		
Financial Impact per the Claims (Simple)(Total Denied \$/Total Number of Claims)	Part A	
Financial Impact to Providers (Total Denied\$/Number of Providers)	Part A	
Submitted amount (Part A)	Part A	
Covered Amount (Part A)	Part A	
Non-covered Amount (Part A)	Part A	
Dollars in Error (Part A)	Part A	
Allowed Amount (Part B Fee Schedule)	Part B	
Amount denied (Part B)	Part B	\$ -

APM		Drugs
Number of Providers removed due to APM		

Education - Intra-Probe		Drugs
Total Number of Educational Contacts		
1 :1 - Number of Education Phone Calls		
1 :1 - Number of Education Letters sent		
1:1 - Face to Face Visits		
1 :1 - Number of Webinar/E-visits		
1:1 - Number of Post-Probe Educational Offers refused (>0% errors)		

Education - Post-Probe		Drugs
Total Number of Educational Contacts		
1 :1 - Number of Education Phone Calls		
1 :1 - Number of Education Letters sent		
1:1 - Face to Face Visits		

Monthly Report for Targeted Probe & Educate

Monthly Data for Extrapolations

Drugs

Extrapolation	Part A	
Number of extrapolation initiated by the MAC		0
Number of extrapolation completed by the MAC This Month		
Total extrapolated amount		
Total number of unique claims reviewed for extrapolation (sample)		0
Number of providers referred (no extrapolation) to another entity (ZPIC/UPIC/other)		
Number of extrapolations deferred		0

MAC - Top Priority Problem Areas Currently Being Reviewed

	Quarter Prior to Start of TPE Pilot		1 st Quarter After Start of TPE Pilot				2 nd Quarter After Start of TPE Pilot				3 rd Quarter After Start of TPE Pilot			
	Overall # Claims Denied	Overall # Claims Appealed	Overall # Claims Denied	Overall # Claims Appealed	Post-TPE # Claims Denied	Post-TPE # Claims Appealed	Overall # Claims Denied	Overall # Claims Appealed	Post-TPE # Claims Denied	Post-TPE # Claims Appealed	Overall # Claims Denied	Overall # Claims Appealed	Post-TPE # Claims Denied	Post-TPE # Claims Appealed
	Medicine (example)													
E/M (example)														
Drugs & Biologicals (example)														
List Actual Top Problems Here														
Total	0	0	0	0			0	0			0	0		0