| CMS Manual System | Department of Health & Human Services (DHHS) |
|---|---|
| Pub 100-20 One-Time Notification | Centers for Medicare & Medicaid Services (CMS) |
| **Transmittal 2194** | **Date: November 2, 2018** |
| | **Change Request 10611** |

**Transmittal 2153, dated October 24, 2018, is being rescinded and replaced by Transmittal 2194, dated, November 2, 2018 to correct the URL for the new user registration. All other information remains the same.**

**SUBJECT: Medicare Cost Report E-Filing (MCReF)**

**I. SUMMARY OF CHANGES:** Medicare Part A providers file an annual Medicare Cost Report (MCR) with CMS. The reports are filed with a Medicare Administrative Contractor (MAC) assigned to each provider. The MCR is used to determine the providers' Medicare reimbursable costs. Providers are required to file their MCR at either 5 months or 150 days after the end of their applicable fiscal year end. The Medicare Administrative Contractor (MAC) may suspend payments to providers that fail to file their MCR on the due date. This change request is to inform providers about the new Medicare cost report E-Filing System.

**EFFECTIVE DATE: June 12, 2018**
*\*Unless otherwise specified, the effective date is the date of service.*
**IMPLEMENTATION DATE: June 12, 2018; January 2, 2019 - For Business Requirements 10611.2 and 10611.3**

*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: 2194 | Date: November 2, 2018 | Change Request: 10611 |
|---|---|---|---|

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**SUBJECT: Medicare Cost Report E-Filing (MCReF)**

**EFFECTIVE DATE:  June 12, 2018**
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## I.    GENERAL INFORMATION

**A.    Background:**   In accordance with the Provider Reimbursement Manual, Part II (PRM-II), § 104, providers that continue to participate in the Program and are required to submit a cost report must do so within 5 months of their cost reporting fiscal year end. For cost reports ending on a day other than the last day of the month, cost reports are due 150 days after the last day of the cost reporting period. Exceptions to this due date for "no Medicare utilization" cost reports are addressed in PRM-II, §110.A. MACs are required to suspend payments to providers that fail to file their MCR by the due date.

### Current Medicare Cost Report (MCR) Filing and Receipt Process:

Generally, each provider must perform the following steps to properly submit an MCR to their MAC:

- Generate an MCR consisting of a machine-readable file (ECR) and a human-readable file (PDF or equivalent, also referred to as the Print Image), using Centers for Medicare & Medicaid Services (CMS)-approved MCR vendor software.
- Submit the Worksheet S (Certification Page) signed by an officer or administrator of the provider. A "wet" signature is required for cost reports ending before December 31, 2017; an electronic signature is allowed for cost reports ending on or after December 31, 2017.
- Provide supporting cost report documentation including, but not limited to, the working trial balance, financial statements, Medicare Bad Debt Listing, Interns and Residents Information System data, etc.
- Submit the MCR package to their MAC via mail (or hand delivery), which account for 91% of all MCR submissions, or a hybrid of mail and electronic submissions which account for 9% of total submissions. The signed worksheet S must be mailed to the MAC.

A MAC must generally perform the following steps once an MCR is received:

- Process the MCR package through their mailroom and forward to the Audit & Reimbursement area.
- Enter the MCR package postmark and receipt dates in CMS' System for Tracking Audit and Reimbursement (STAR).
- Create an .HDT file of the MCR by loading the ECR file into the MCR vendor software.
- Determine if the MCR package includes the required documentation/files and validate certain data within the cost report.
- Complete the acceptability checklist.
- Upload the .HDT file to STAR and the Healthcare Cost Report Information System (HCRIS), and clear validations from both systems once the MCR is accepted
- Work with the HDT MCR Vendor and/or providers to fix data errors.
- Enter acceptance and HCRIS dates in STAR.

MACs must perform each of these steps for approximately 50,000 MCRs submitted by providers each year.

**Streamlined MCR Filing Process:**

To streamline the MCR filing process, the 2018 IPPS Final Rule has allowed for an electronic signature on the MCR Worksheet S (Certification Page) for cost reports ending on or after December 31, 2017. Additionally, beginning April 31, 2018, CMS will make available to Part A providers the Medicare Cost Report e-Filing system (MCReF) for electronic transmission (e-Filing) of an MCR package directly to a MAC. A CMS Enterprise Identity Management (EIDM) account is required to use MCReF, which is the same account providers use to order copies of their Provider Statistical and Reimbursement Reports (PS&R).

Upon login, providers will be able to select the Fiscal Year End for which they are filing, upload all corresponding MCR materials as attachments, and submit the documents directly to their MAC. The system will perform a basic review of the attached materials to determine if the MCR is "receivable" (See Attachment A). If issues are identified, the provider will immediately receive an error/warning message. If no issues are identified, the provider will receive a confirmation number, as well as an electronic postmark date, which can be used in correspondence regarding the submission. Once the cost report is deemed "receivable," the MAC will perform the acceptability review within 30 days. The MAC will issue a rejection letter if the cost report is rejected.

**Medicare Cost Report e-Filing (MCReF) System Access:**

MCReF will be hosted at the following URL: https://mcref.cms.gov. System access to MCReF will be controlled by the EIDM system. Part A Provider Security Officials (SOs) and their backups (BSOs), already registered in EIDM for access to CMS PS&R, will inherit access to MCReF by default through their existing account.

Providers that are not registered in EIDM, but wish to gain access to MCReF, must register in EIDM and assign an SO for their organization. New user registration can be accessed via the following URL: https://portal.cms.gov/wps/portal/unauthportal/selfservice/newuserregistration.

**Note:**  It is important for providers to keep their EIDM credentials in good standing to avoid problems using MCReF to e-File cost reports and obtaining PS&R.  This includes password updates per CMS policy and the timely replacement of SOs due to staffing changes.  Issues with maintaining EIDM credentials will not constitute a valid reason for filing a cost report past its due date.

Starting January 2, 2019, providers that wish to electronically submit their MCR must use MCReF. MAC portals will no longer be an acceptable means of submission. Providers that wish to mail or hand deliver MCRs to MACs, may continue to do so.

**Benefits of Streamlined MCR Processes:**

- Increase CMS' access to MCR data as submitted by providers to assist with responding to inquiries and remove additional administrative burdens on MACs and CMS.
- Eliminates MAC processes for populating the CMS HCRIS system – including the submission of 100,000 cost reports to HCRIS and subsequent resubmission.
- Eliminates the need for MACs to enter MCR Postmarked Date, Received Date, and HCRIS Sent Date.
- Enables direct receipt/promotion of IRIS Data to its required end-state in STAR (eliminates manually upload IRIS data).

- Large provider chain organizations will electronically submit MCRs to one system instead of transmitting their MCRs to their assigned MAC jurisdiction's portals or physical mailing addresses;

- An MCR submitted through MCREF will be automatically directed to the correct MAC eliminating the risk of submitting the MCR to an incorrect MAC;
- Providers will receive immediate feedback on whether the MCR is received.
- Providers will save time compiling the paperwork (files) needed to create electronic media and mail the MCR package;
- Providers will have until 11:59 p.m eastern time on the due date to submit the MCR through MCReF.
- MCREF has a simple, straightforward user interface with just one screen; and

- Reduces provider confusion due to conflicting MAC "receivability" rules.

**Provider Outreach:**

The CMS shall host a MCReF providers' Medicare Learning Network event on May 1, 2018.

A Medicare Learning Network article relating to this change request will be available to providers.

**B.  Policy:**  42 CFR 413.24(f) requires that Medicare providers file an annual Medicare cost report. This change request is to inform MACs and providers of the new Medicare Cost Report e-filing system available for electronic transmission of cost reports.

## 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 | |
| 10611.1 | The A/B MAC shall accept the electronic submission of Medicare cost report submitted through MCReF on or after 5/1/18. | X | | X | | | | | | |
| 10611.2 | The MCReF shall be the only acceptable means of electronic submission of the MCR on or after 1/2/2019. MACs shall discontinue the electronic submission of the MCR by providers through their portals on or before 1/1/2019 | X | | X | | | | | | |
| 10611.3 | MACs shall instruct providers who choose to file their Medicare cost report electronically on or after 1/2/2019, that they shall submit their Medicare cost report through the MCReF website.  The URL for MCReF is https://mcref.cms.gov. | X | | X | | | | | | |
| 10611.4 | MACs shall reject cost reports electronically transmitted through MCReF that are e-signature capable, if the provider fails to check the e-signature box of the cost report form regardless of whether there is a name or signature on the signature page. | X | | X | | | | | | |

| Number | Requirement | Responsibility | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | A/B MAC | | | D M E MAC | Shared-System Maintainers | | | | Other |
| | | A | B | H H H | | F I S S | M C S | V M S | C W F | |
| | | | | | | | | | | |
| 10611.5 | The MACs shall reject an e-signature capable cost report that is checked but not signed by the provider.  Note: The provider shall check the e-signature box on the cost report form and sign the cost report. | X | | X | | | | | | Providers |
| 10611.6 | MACs shall instruct providers that wish to electronically transmit cost report forms that are not e-signature capable through MCReF to scan the signed signature page of the cost report into MCReF, and mail a copy of the wet signature to the MAC. These are cost report forms that have no check box for e-signature. | X | | X | | | | | | |
| 10611.6.1 | The MACs shall accept a scanned signed form 339 for cost report forms that do not have the 339 integrated in the cost report for electronically submitted cost report. | X | | X | | | | | | |
| 10611.6.2 | MACs shall consider as received the day cost reports that are not e-signature capable are file through MCReF in accordance with the STAR system definition of received date. However, final acceptance decision is reserved until receipt of the mailed, signed wet signature page.  Note: The 30 days for acceptance starts from the date the cost report is electronically submitted through MCReF. | X | | X | | | | | | |
| 10611.6.3 | MACs shall reject cost reports that are not e-signature capable, if the signed wet signature page is not received by the MACs after allowing at least 10 business days from the MCReF submission date for the mailed signature page to be received.  Note: MACs should allow the provider at least 10 business days for the mailed signature page to be received. MACs may reject the cost report any time after the 10 days if the signed signature page was not received on the day of the final cost report acceptance determination. | X | | X | | | | | | |
| 10611.7 | MACs shall not perform the formal cost report rejection process if the provider requests the rejection | X | | X | | | | | | |

| Number | Requirement | Responsibility | | | | | | | | |
|--------|-------------|----------------|---|---|---|---|---|---|---|---|
| | | A/B MAC | | | D M E MAC | Shared-System Maintainers | | | | Other |
| | | A | B | H H H | | F I S S | M C S | V M S | C W F | |
| | of a cost report due to a cost report filing issue, or if two or more copies of the same cost reports were submitted in error either through MCReF or by mail on or before the cost report due date, and prior to the formal acceptance of the MCR by the MAC.<br><br>Note: MACs do not have to mail a formal cost report rejection letter for a provider request to disregard a cost report submission on or before the cost report due date, and the cost report acceptance. MACs should issue an informal rejection for multiple submissions of cost reports if the rejection does not result in payment suspension or late cost report filing even if the MAC's review is completed after the cost report due date. | | | | | | | | | |
| 10611.8 | MACs shall inform providers that cost report extension will not be granted for issues with submitting the MCR through MCReF. Providers experiencing issues with MCReF may mail or hand deliver their MCRs to the MACs. | X | | X | | | | | | |
| 10611.9 | MACs shall load the full cost report image PDF files for each HDT file they upload to the STAR system for activity performed on or after the implementation date of this change request. | X | | X | | | | | | |
| 10611.10 | The STAR system shall assume the responsibility of sending HCRIS data to the HCRIS system as of the implementation date of this change request. | X | | X | | | | | | STAR |
| 10611.10.1 | The MACs shall discontinue sending of MCR HCRIS data to the HCRIS system from the implementation date of the change request with the exception of the wage index HCRIS files. | X | | X | | | | | | |
| 10611.10.1.1 | MACs shall continue to submit emails of the wage index adjusted MCR HCRIS data to the HCRIS system. The email address is HCRISSUB@cms.hhs.gov with the word INDEX in the subject line. The word index is preceded by less than and followed by the greater than symbols. | X | | X | | | | | | |

## 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 | | |
| 10611.11 | MLN Article: CMS will make available an MLN Matters provider education article that will be marketed through the MLN Connects weekly newsletter shortly after the CR is released. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1, instructions for distributing MLN Connects information to providers, posting the article or a direct link to the article on your website, and including the article or a direct link to the article in your bulletin or newsletter. You may supplement MLN Matters articles with localized information benefiting your provider community in billing and administering the Medicare program correctly.  Subscribe to the "MLN Matters" listserv to get article release notifications, or review them in the MLN Connects weekly newsletter. | X | X | X | | |

## 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):** Owen Osaghae, 410-786-7550 or owen.osaghae@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: 2**

**Attachment A - MACs**

**MCReF Detailed System Overview:**

Once logged in to the Medicare Cost Report e-Filing system (MCReF), the provider will be presented with the following webpage:



The website consists of selections for identifying the specific Medicare Cost Report (MCR) the user intends to file, and slots to attach the MCR and its supporting documentation. The following content provides a detailed description of the system's fields and their functionality, the submission process (including the "receivability" rules), and the updates being made to CMS documentation in support of the system and the streamlined MCR filing / receipt processes.

- **Field descriptions:**
  - **"Provider":** Contains all CMS Certification Numbers (CCNs) that the provider has registered in EIDM which the MAC also has on record in the System for Tracking Audit and

Reimbursements (STAR) listed in ascending order. The system will default the selection to the first provider in this list. Each value in the drop-down contains the provider's CCN and its corresponding Doing Business As Name. MCRs cannot be e-Filed for providers which are not present in the drop-down. Providers should contact their MAC if they believe a value is missing.

- o **"Fiscal Year End":** Contains the FYEs of the provider which have occurred in the past 6 years that are on or after 12/31/2017 as recorded by the Medicare Administrative Contractor (MAC) in STAR listed in descending order. The system will default to the most recent fiscal year end available for e-Filing. MCRs cannot be e-Filed for FYEs that are not present in the drop-down. Providers should contact their MAC if they believe a value is missing.
- o **"Medicare Utilization":** Allows providers to select the Medicare Utilization of the MCR they are e-Filing. Options available are 'Full', 'Low', and 'No'. The system will default to 'Full'.
- o **"First Cost Report Submission":** Informs the provider of whether or not an MCR has already been received in STAR for the Fiscal Year End. If an MCR has already been received, the system will treat subsequent submissions as revised MCRs. Otherwise, the MCR will be treated as the provider's original MCR for the Fiscal Year End.
- o **"Cost Report Materials" table:** Allows providers to upload their ECR, PI, Signed Certification Page, IRIS, Cover Letter, and any additional files via the "Other" slot. The format and content restrictions for each of these files is detailed below in the section labelled "System 'receivability' criteria for an e-Filed MCR".
    - Required MCR Materials vary based on the type of provider and the on-screen selections made; this is denoted by indicators on-screen and enforced by error messages
    - **"Signed Certification Page" slot:**
        - CMS 2018 IPPS Final Ruling allows providers to electronically sign their Worksheet S (Certification Page) for Fiscal Year Ends on or after 12/31/2017. Electronic signature is required for any provider that chooses to electronically file via CMS MCReF. For more information regarding electronic signature, please refer to the 2018 Final IPPS Ruling (FR Vol. 82, No. 155 Page #38493, Section: "Revisions of Medicare Cost Reporting and Provider Requirements")
        - CMS is issuing transmittal updates for each MCR Version detailing support for electronic signature. Refer to the MCR Version's current transmittal for more information regarding the state of these electronic signature updates.

Upon submission, the system will execute "receivability" validations confirming the provider's submission is fundamentally sound (these validations are listed in the next section; "System "receivability" criteria for an e-Filed MCR"). If any error is triggered, the provider is immediately notified and the submission will not be received by the MAC. The issue communicated by the error will need to be resolved and resubmitted by the provider to proceed with their e-Filing. Since submissions which encounter errors are not received by the MAC, they are not considered formal MCR rejections and therefore are not subject to any processes associated with a formal MCR rejection. If no errors are

encountered, the system may issue warnings to the user. Upon review of the warning message, if the provider believes the submission to still be acceptable, they can acknowledge the warning and allow the submission to proceed to the MAC. The issues communicated by the warnings may or may not result in the provider's submission being rejected by the MAC when performing the Acceptability process. If no errors are encountered and all warnings are accepted, the provider will be presented with a success message detailing their e-postmark date and a unique e-Filing ID, and the cost report will be considered "received" by their MAC. An MCR submitted via MCReF will only be considered timely if it is successfully submitted before 11:59 PM ET on the provider's cost report due date.

**MCReF Quick-Guide:**

The following quick-guide provides an example of how a provider would use MCReF for the purposes of successfully e-Filing an MCR submission. A more detailed User Manual will be available within MCReF once the system is live.

1.  **Login:** Upon accessing MCReF, users are required to accept the CMS-website terms and conditions. The following is a screenshot of the CMS "System Use Notification" screen a user will encounter when loading the MCReF website:

Once the terms and conditions have been accepted, the user must enter a valid EIDM account User ID. The following depicts the screen the user would enter their User ID on:



Once a valid User ID has been entered and the user has clicked "Next", the user must then enter their password. The following depicts the screen the user would enter their password on:

2. **Select "Provider" and "Fiscal Year End":** If the user wishes to submit an MCR for a provider other than the default, the user may select a different provider from the "Provider" drop-down. Once a provider is selected, the "Fiscal Year End" drop-down will be updated to reflect all of that provider's fiscal year ends available for e-Filing. The user can then proceed with the defaulted fiscal year end or select a different value from the "Fiscal Year End" drop-down. The following is a screenshot of the system after the user has selected provider CCN '123456' from the "Provider" drop-down and '12/31/2017' from the "Fiscal Year End" drop-down:

3. **Select "Medicare Utilization" and review "First Cost Report Submission" default value:** The user selects the Medicare Utilization (Full, Low, or No) of the MCR that they are e-Filing and reviews the "First Cost Report Submission" field which informs how the system will treat the new submission. The following is a screenshot of the system with the provider filing a 'Full' cost report and indicating that the system will treat this as the first cost report submission for the year:

4. **Browsing / Selecting Cost Report Material files for upload:** On-screen indicators inform the user which cost report materials are required to e-File. Additional cost report materials not covered by the rows specified in the Cost Report Materials table should be submitted within a ZIP file via the "Other" row. The user presses the "Browse" button on each row to locate the file to be uploaded as part of their MCR submission. The following is a screenshot of the system after the user has browsed for and selected a file for ECR, Print Image, Signed Certification Page, and Other:



**CMS** — *Medicare Cost Report e-Filing System (MCReF)*
CENTERS FOR MEDICARE & MEDICAID SERVICES

Accessibility | Help | Logout
User ID: SAMPLE
Friday, March 30, 2018

## e-File Cost Report Materials

🖶 Printer Friendly Version

*Indicates Required Field*

**Provider** ⓘ    [123456 Sample Hospital #1 ▾]

**Fiscal Year End** ⓘ    [12/31/2017 ▾]

**Medicare Utilization** ⓘ    [Full ▾]

**First Cost Report Submission** ⓘ    Yes
(No cost report submission has been previously recorded for this Provider and Fiscal Year End.)

### Cost Report Materials ⓘ

Do **not** encrypt or password-protect uploaded files (including files within ZIP/archive files). This website is a secure portal for transmission of MCR materials (including PII/PHI).

| File | File Upload | |
|---|---|---|
| * ECR ⓘ | C:\P123456 F12-31-2017\EC123456.17A1 | Browse... |
| * Print Image ⓘ | C:\P123456 F12-31-2017\PI123456.17A1.pdf | Browse... |
| * Signed Certification Page ⓘ | C:\P123456 F12-31-2017\123456.17A1.Signed Certification Page.pdf | Browse... |
| IRIS ⓘ | | Browse... |
| Other ⓘ | C:\P123456 F12-31-2017\Additional Cost Report Documentation.zip | Browse... |
| Cover Letter ⓘ | | Browse... |

☐ * I acknowledge that this represents an official submission of my Medicare cost report to my servicing Medicare Administrative Contractor (MAC) and the Centers for Medicare and Medicaid Services (CMS), subject to all rules and regulations pertaining to Medicare cost report submissions (e.g. filing deadlines).

[Reset] [Submit]

Note: Once 'Submit' is clicked, this transaction cannot be stopped. Closing the browser window or navigating to another webpage will not cancel this e-filing.

5. **Certification and submission of an MCR:** The user reads and acknowledges the "certification" language by selecting its corresponding checkbox. By doing so, the "Submit" button is enabled. The user then presses the "Submit" button to submit their MCR package for system processing. If there are no errors / warnings, the user will receive a success message containing their electronic postmark date of submission and an e-Filing ID for future reference. The following is a screenshot of the system after the user has pressed the "Submit" button where no errors / warnings were encountered:



Note: If an error / warning had been encountered (as documented in the "System "receivability" criteria for an e-Filed MCR" section directly below), this same screen would display with the error(s) displayed in place of the success message. If this occurs, no aspect of the attempted submission will be transmitted to the user's MAC or CMS.

**System "receivability" criteria for an e-Filed MCR:** The following rules determine whether or not a provider's e-Filed submission will be received by their MAC. If any of the below rules are violated, an error message will be immediately communicated to the provider and the MCR will NOT be received by their MAC.

- **Required MCR Materials must be provided and in a valid format** (Note: All MCR materials are allowed for any submission):
  - General rules for attached files:
    - Must be virus/malware free
    - Must be below or equal to the established file size limitation (file size limits are subject to change; current limits will always be posted in the system):
      - ECR (1 MB)
      - Print Image (10 MB)
      - Signed Certification Page (10 MB)
      - IRIS (1 MB)
      - Other (300 MB)
      - Cover Letter (10 MB)
    - File Name must abide by the following rules:
      - Must not contain any of the following illegal characters: < > ^ ! " \ { } [ ] | + ` ~ & ' ; / -
      - Must not be greater than 255 characters in length
    - Archive files must contain component files (i.e. ZIP files must contain at least 1 document within them)
      - Archive files only supported by "Other" and "IRIS" slots
    - Must be greater than 0 bytes in size (for slots which allow an archive file, the system will enforce that the archive file is greater than 0 bytes but will not enforce that each file within it is greater than 0 bytes)
  - ECR
    - Required for all providers filing a Full Medicare Utilization MCR except Home Offices (HOs) and Limited Purpose Insurance Companies (LPICs)
    - Valid Format:
      - One file that is not an archive (e.g. ZIP)
      - First position of every record must be 1, 2, 3, 4, or 5 (ECR Edit 10000)
      - No lines exceed 60 characters (ECR Edit 10050)
      - File doesn't contain duplicate records (ECR Edit 10500)
      - File must contain a valid MCR Version code
      - File must contain one Type 1 Record 1 (the header record) row
    - Additional Rules:
      - Provider, FYB, and FYE specified in the file must match the same record in STAR (Exception Case: FYB specified in the file can be on or before the FYB specified in STAR)

- Subunits / Consolidated FQHC/RHC Units included in the file must match one-to-one with those on record in STAR when filing a Full Medicare Utilization MCR
  - Print Image
    - Required:
      - For all providers filing a Full or Low Medicare Utilization MCR except LPICs
        - For Home Offices, this represents the image of the 287-05 cost statement
      - If the "ECR" slot contains a file
    - Valid Format: One file that is not an archive (e.g. ZIP)
  - Signed Certification Page
    - Required: For all providers except LPICs
    - Valid Format: One file that is not an archive (e.g. ZIP)
  - IRIS
    - Valid Format:
      - ZIP file containing either two DBF files ("M" and "A"), or 1 XML file. The "M" and "A" DBF files refer to the Master and Assignment IRIS files created by the provider using either the IRISV3 Program software or compatible MCR Vendor software. When submitting DBF files, the Master file must begin with an "M" and the Assignment file must begin with an "A".
      - File names must not be greater than 255 characters in length
      - File names must not contain any of the following illegal characters: < > ^ ! " \ { } [ ] | + ` ~ & ' ; / -
  - Other
    - Required: For all LPIC Provider MCRs
    - Valid Format: One file of any format (archive files allowed)
  - Cover Letter
    - Required: For all revised MCRs
    - Valid Format: Can only contain one file that is not an archive (e.g. ZIP)
- Cost report's primary provider number must NOT be a subunit for the Fiscal Year End of the MCR being submitted
- Provider must NOT be locked by their MAC in STAR for the Fiscal Year End of the MCR being submitted. MACs may lock (prevent a cost report from been filed) for the following reasons: the cost report FYE was administratively closed, fully cost reimbursed, globally settled due to an agreement with CMS, a FQHC filing consolidating cost report under another provider number, and a provider undergoing a change of ownership.
- Provider must not have already been issued a Finalized Notice of Program Reimbursement (NPR) by their MAC for the Fiscal Year End of the MCR being submitted
- Provider is allowed to submit one revised MCR per day
  - Provider Requested Rejection due to an e-Filing issue:

- If the provider wants to file more than one revised MCR in a given day, they must formally make this request to their MAC via mail or e-mail
- CMS Documentation Impact: MACs will not be required to follow any existing formal MCR rejection processes when the MCR is rejected for this reason.

- **Provider will be warned if they are:**
  - Filing their original MCR after its due date has elapsed
  - Uploading an ECR file that was generated using an outdated version of MCR Vendor software

- **CMS guidance:**
  - MCReF is a secure portal for transmission of MCR materials (including PII/PHI). Files uploaded are not to be encrypted or password protected. CMS documentation will instruct MACs to reject the MCR if any file provided via MCReF is encrypted or password protected.
  - Providers should not submit the same MCR via MCReF and the mail. CMS documentation will be updated to instruct MACs that when duplicate MCRs are submitted, they should reject all of them except for the first one received.
  - The first MCR received by the MAC (either via MCReF or the mail/hand-delivery) will be treated as the provider's first cost report submission for the year.
    - Example: A provider mails in their MCR prior to their cost report due date (timely submission), but then decides to e-File using MCReF after their cost report due date (in which the MAC has yet to receive the timely MCR submission mailed in). Since the submission made via MCReF will instantaneously be available to the MAC, and that submission was filed late, the provider's MCReF submission will be considered the original cost report submission and will be treated as late, regardless of the state of the mailed-in submission. To prevent confusion, providers will receive a warning from MCReF if they are filing their original MCR past their due date. This will give the provider the opportunity to determine if a timely MCR has already been submitted via a method other than MCReF.

- **Exceptions to using MCReF (In these scenarios, the MCR should be mailed or hand-delivered to the MAC):**
  - Any MCR that would satisfy CMS' Acceptability Criteria but is not allowed by MCReF due to the restrictions detailed above must be filed via the mail or hand-delivery (e.g.: an MCR submission with more than 300 MB of "Other" documentation).
  - Providers will not receive an extension for any system issues which prevent them from e-Filing. In cases where the provider is unable to file via MCReF, they must still submit a valid MCR to their MAC by their due date.

**Streamlined MCR Receipt and Post-Receipt Processes:**

CMS is also streamlining many of the receipt and post-receipt processes that MACs perform on a provider's submitted MCR. The following changes are being made to the current receipt and post-receipt MAC processes (refer to "Current Medicare Cost Report (MCR) Filing and Receipt Process" for background):
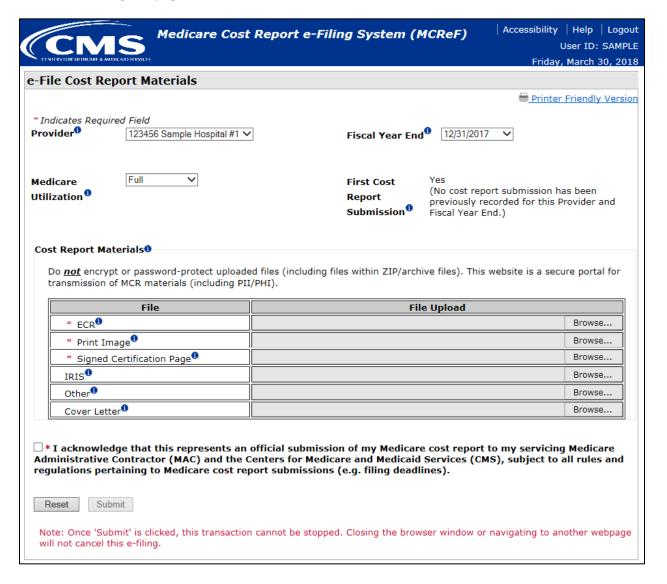
- For submissions made via MCReF, all corresponding MCR materials will be immediately available in STAR for MAC post-receipt processing
  - Record of the submission, including postmark and received dates, will be automatically recorded by STAR
    - STAR will automatically set the Cost Report Received Date based on the following rules:
      - For MCRs filed on a federal business day prior to 3 PM ET, this will be set to the same date as the Postmark Date
      - MCRs filed at any other time will be set to the date of the next federal business day
  - Using STAR Report 002 "Cost Reports Received, Not Accepted or Rejected (Aging)", MACs will be able to identify newly received e-Filings during a desired period using the Cost Report Received Date filter. The resulting report will indicate which submissions were submitted by providers via MCReF with the presence of an e-Filing ID.
  - MAC Audit and Reimbursement staff will have access to download MCR materials submitted by the provider. In particular, all MCR materials submitted by the provider are available via STAR at a per Provider, Fiscal Year End, and submission level. ECR / Print Image files can be retrieved from STAR in bulk (for multiple Providers / Fiscal Year Ends).
- CMS is updating publication 15-2 of the Provider Reimbursement Manual to indicate the allowance of an electronic signature as an equivalent to the current wet signature requirement. CMS is also eliminating the verification between the Worksheet S (Certification Page) encryption code and the print image file encryption code.
- Addition of 2 methods allowing for the rejection/denial of a provider's MCR submission:
  - Provider Requested (Due to e-Filing Issue): Provider's may request that their MAC reject/deny an erroneous MCR for the purpose of submitting an additional revision on the same day (since the system only allows for 1 revised submission to be received per day). MACs must receive a formal request via mail or e-mail from the provider prior to utilizing this option. This option is only applicable to submissions made through MCReF.
  - MAC identified duplicate cost report submission: MACs can reject/deny a provider's MCR if they have determined that it is a duplicate of another MCR submitted
  - Note: when utilized, each of these options do not constitute a formal rejection, and do not require MACs to follow CMS' formal MCR rejection processes.
- In addition to the HDT file MACs currently submit to STAR, they must also upload the HDT file's corresponding human-readable MCR file in PDF format to STAR.
- MACs will no longer be required to submit HDT files to HCRIS. MACs will now only need to submit HDTs to STAR. Once the HDT has been validated and loaded in STAR, STAR will automatically send the corresponding MCR data directly to CMS HCRIS.
  - Note: MACs must continue to send to HCRIS any cost reports which are submitted to HCRIS today which are not currently uploaded to STAR (e.g. Wage Index MAC Adjusted MCRs). Until support for these MCRs is added in STAR, MACs are required to continue submitting these HDTs directly to HCRIS.

- o MAC "HCRIS timeliness": MAC timeliness pertaining to the submission of MCR HDT data to CMS will now be based off of the date all STAR validations are cleared for a given MCR.

**Attachment A**

**MCReF Detailed System Overview:**

Once logged in to the Medicare Cost Report e-Filing system (MCReF), the provider will be presented with the following webpage:



The website consists of selections for identifying the specific Medicare Cost Report (MCR) the user intends to file, and slots to attach the MCR and its supporting documentation. The following content provides a detailed description of the system's fields and their functionality, the submission process (including the "receivability" rules), and the updates being made to CMS policy in support of the system and the streamlined MCR filing / receipt processes.

- **Field descriptions:**
  - **"Provider":** Contains all CMS Certification Numbers (CCNs) that the provider has registered in EIDM which the MAC also has on record in the System for Tracking Audit and

Reimbursements (STAR) listed in ascending order. The system will default the selection to the first provider in this list. Each value in the drop-down contains the provider's CCN and its corresponding Doing Business As Name. MCRs cannot be E-Filed for providers which are not present in the drop-down. Providers should contact their MAC if they believe a value is missing.

- o **"Fiscal Year End":** Contains the FYEs of the provider which have occurred in the past 6 years that are on or after 12/31/2017 as recorded by the Medicare Administrative Contractor (MAC) in STAR listed in descending order. The system will default to the most recent fiscal year end available for e-Filing. MCRs cannot be E-Filed for FYEs that are not present in the drop-down. Providers should contact their MAC if they believe a value is missing.
- o **"Medicare Utilization":** Allows providers to select the Medicare Utilization of the MCR they are e-Filing. Options available are 'Full', 'Low', and 'No'. The system will default to 'Full'.
- o **"First Cost Report Submission":** Informs the provider of whether or not an MCR has already been received in STAR for the Fiscal Year End. If an MCR has already been received, the system will treat subsequent submissions as revised MCRs. Otherwise, the MCR will be treated as the provider's original MCR for the Fiscal Year End.
- o **"Cost Report Materials" table:** Allows providers to upload their ECR, PI, Signed Certification Page, IRIS, Cover Letter, and any additional files via the "Other" slot. The format and content restrictions for each of these files is detailed below in the section labelled "System 'receivability' criteria for an E-Filed MCR".
    - Required MCR Materials vary based on the type of provider and the on-screen selections made; this is denoted by indicators on-screen and enforced by error messages
    - **"Signed Certification Page" slot:**
        - CMS 2018 IPPS Final Ruling allows providers to electronically sign their Worksheet S (Certification Page) for Fiscal Year Ends on or after 12/31/2017. Electronic signature is required for any provider that chooses to electronically file via CMS MCReF. For more information regarding electronic signature, please refer to the 2018 Final IPPS Ruling (FR Vol. 82, No. 155 Page #38493, Section: "Revisions of Medicare Cost Reporting and Provider Requirements")
        - CMS is issuing transmittal updates for each MCR Version detailing support for electronic signature. Refer to the MCR Version's current transmittal for more information regarding the state of these electronic signature updates.
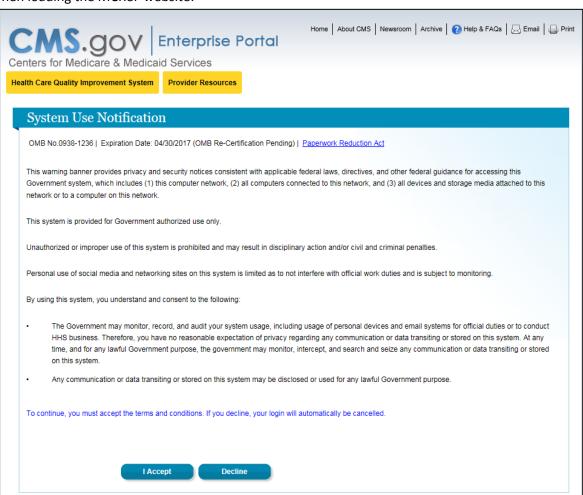
Upon submission, the system will execute "receivability" validations confirming the provider's submission is fundamentally sound (these validations are listed in the next section; "System "receivability" criteria for an E-Filed MCR"). If any error is triggered, the provider is immediately notified and the submission will not be received by the MAC. The issue communicated by the error will need to be resolved and resubmitted by the provider to proceed with their e-Filing. Since submissions which encounter errors are not received by the MAC, they are not considered formal MCR rejections and therefore are not subject to any processes associated with a formal MCR rejection. If no errors are

encountered, the system may issue warnings to the user. Upon review of the warning message, if the provider believes the submission to still be acceptable, they can acknowledge the warning and allow the submission to proceed to the MAC. The issues communicated by the warnings may or may not result in the provider's submission being rejected by the MAC when performing the Acceptability process. If no errors are encountered and all warnings are accepted, the provider will be presented with a success message detailing their e-postmark date and a unique e-Filing ID, and the cost report will be considered "received" by their MAC. An MCR submitted via MCReF will only be considered timely if it is successfully submitted before 11:59 PM ET on the provider's cost report due date.

**MCReF Quick-Guide:**

The following quick-guide provides an example of how a provider would use MCReF for the purposes of successfully e-Filing an MCR submission. A more detailed User Manual will be available within MCReF once the system is live.

1. **Login:** Upon accessing MCReF, users are required to accept the CMS-website terms and conditions. The following is a screenshot of the CMS "System Use Notification" screen a user will encounter when loading the MCReF website:

Once the terms and conditions have been accepted, the user must enter a valid EIDM account User ID. The following depicts the screen the user would enter their User ID on:



Once a valid User ID has been entered and the user has clicked "Next", the user must then enter their password. The following depicts the screen the user would enter their password on:

2. **Select "Provider" and "Fiscal Year End":** If the user wishes to submit an MCR for a provider other than the default, the user may select a different provider from the "Provider" drop-down. Once a provider is selected, the "Fiscal Year End" drop-down will be updated to reflect all of that provider's fiscal year ends available for e-Filing. The user can then proceed with the defaulted fiscal year end or select a different value from the "Fiscal Year End" drop-down. The following is a screenshot of the system after the user has selected provider CCN '123456' from the "Provider" drop-down and '12/31/2017' from the "Fiscal Year End" drop-down:

3. **Select "Medicare Utilization" and review "First Cost Report Submission" default value:** The user selects the Medicare Utilization (Full, Low, or No) of the MCR that they are e-Filing and reviews the "First Cost Report Submission" field which informs how the system will treat the new submission. The following is a screenshot of the system with the provider filing a 'Full' cost report and indicating that the system will treat this as the first cost report submission for the year:

4. **Browsing / Selecting Cost Report Material files for upload:** On-screen indicators inform the user which cost report materials are required to E-File. Additional cost report materials not covered by the rows specified in the Cost Report Materials table should be submitted within a ZIP file via the "Other" row. The user presses the "Browse" button on each row to locate the file to be uploaded as part of their MCR submission. The following is a screenshot of the system after the user has browsed for and selected a file for ECR, Print Image, Signed Certification Page, and Other:

5. **Certification and submission of an MCR:** The user reads and acknowledges the "certification" language by selecting its corresponding checkbox. By doing so, the "Submit" button is enabled. The user then presses the "Submit" button to submit their MCR package for system processing. If there are no errors / warnings, the user will receive a success message containing their electronic postmark date of submission and an e-Filing ID for future reference. The following is a screenshot of the system after the user has pressed the "Submit" button where no errors / warnings were encountered:



Note: If an error / warning had been encountered (as documented in the "System "receivability" criteria for an E-Filed MCR" section directly below), this same screen would display with the error(s) displayed in place of the success message. If this occurs, no aspect of the attempted submission will be transmitted to the user's MAC or CMS.

**System "receivability" criteria for an E-Filed MCR:** The following rules determine whether or not a provider's E-Filed submission will be received by their MAC. If any of the below rules are violated, an error message will be immediately communicated to the provider and the MCR will NOT be received by their MAC.

- **Required MCR Materials must be provided and in a valid format** (Note: All MCR materials are allowed for any submission):
  - General rules for attached files:
    - Must be virus/malware free
    - Must be below or equal to the established file size limitation (file size limits are subject to change; current limits will always be posted in the system):
      - ECR (1 MB)
      - Print Image (10 MB)
      - Signed Certification Page (10 MB)
      - IRIS (1 MB)
      - Other (300 MB)
      - Cover Letter (10 MB)
    - File Name must abide by the following rules:
      - Must not contain any of the following illegal characters: < > ^ ! " \ { } [ ] | + ` ~ & ' ; / -
      - Must not be greater than 255 characters in length
    - Archive files must contain component files (i.e. ZIP files must contain at least 1 document within them)
      - Archive files only supported by "Other" and "IRIS" slots
    - Must be greater than 0 bytes in size (for slots which allow an archive file, the system will enforce that the archive file is greater than 0 bytes but will not enforce that each file within it is greater than 0 bytes)
  - ECR
    - Required for all providers filing a Full Medicare Utilization MCR except Home Offices (HOs) and Limited Purpose Insurance Companies (LPICs)
    - Valid Format:
      - One file that is not an archive (e.g. ZIP)
      - First position of every record must be 1, 2, 3, 4, or 5 (ECR Edit 10000)
      - No lines exceed 60 characters (ECR Edit 10050)
      - File doesn't contain duplicate records (ECR Edit 10500)
      - File must contain a valid MCR Version code
      - File must contain one Type 1 Record 1 (the header record) row
    - Additional Rules:
      - Provider, FYB, and FYE specified in the file must match the same record in STAR (Exception Case: FYB specified in the file can be on or before the FYB specified in STAR)

- Subunits / Consolidated FQHC/RHC Units included in the file must match one-to-one with those on record in STAR
    - o Print Image
        - ▪ Required:
            - For all providers filing a Full or Low Medicare Utilization MCR except LPICs
                - o For Home Offices, this represents the image of the 287-05 cost statement
            - If the "ECR" slot contains a file
        - ▪ Valid Format: One file that is not an archive (e.g. ZIP)
    - o Signed Certification Page
        - ▪ Required: For all providers except LPICs
        - ▪ Valid Format: One file that is not an archive (e.g. ZIP)
    - o IRIS
        - ▪ Valid Format:
            - ZIP file containing either two DBF files ("M" and "A"), or 1 XML file. The "M" and "A" DBF files refer to the Master and Assignment IRIS files created by the provider using either the IRISV3 Program software or compatible MCR Vendor software. When submitting DBF files, the Master file must begin with an "M" and the Assignment file must begin with an "A".
            - File names must not be greater than 255 characters in length
            - File names must not contain any of the following illegal characters: < > ^ ! " \ { } [ ] | + ` ~ & ' ; / -
    - o Other
        - ▪ Required: For all LPIC Provider MCRs
        - ▪ Valid Format: One file of any format (archive files allowed)
    - o Cover Letter
        - ▪ Required: For all revised MCRs
        - ▪ Valid Format: Can only contain one file that is not an archive (e.g. ZIP)
- Cost report's primary provider number must NOT be a subunit for the Fiscal Year End of the MCR being submitted
- Provider must NOT be locked by their MAC in STAR for the Fiscal Year End of the MCR being submitted. MACs may lock (prevent a cost report from been filed) for the following reasons: the cost report FYE was administratively closed, fully cost reimbursed, globally settled due to an agreement with CMS, a FQHC filing consolidating cost report under another provider number, and a provider undergoing a change of ownership.
- Provider must not have already been issued a Finalized Notice of Program Reimbursement (NPR) by their MAC for the Fiscal Year End of the MCR being submitted
- Provider is allowed to submit one revised MCR per day
    - o Provider Requested Rejection due to an e-Filing issue:
        - ▪ If the provider wants to file more than one revised MCR in a given day, they must formally make this request to their MAC via mail or e-mail

- - - CMS Policy Impact: MACs will not be required to follow any existing formal MCR rejection processes when the MCR is rejected for this reason.
- **Provider will be warned if they are:**
  - Filing their original MCR after its due date has elapsed
  - Uploading an ECR file that was generated using an outdated version of MCR Vendor software
- **CMS policy:**
  - MCReF is a secure file transport method. Files uploaded **are not to be encrypted or password protected.** CMS policy will instruct MACs to reject the MCR if any file provided via MCReF is encrypted or password protected.
  - Providers should not submit the same MCR via MCReF and the mail. CMS policy will be updated to instruct MACs that when duplicate MCRs are submitted, they should reject all of them except for the first one received.
  - The first MCR received by the MAC (either via MCReF or the mail/hand-delivery) will be treated as the provider's first cost report submission for the year.
    - Example: A provider mails in their MCR prior to their cost report due date (timely submission), but then decides to E-File using MCReF after their cost report due date (in which the MAC has yet to receive the timely MCR submission mailed in). Since the submission made via MCReF will instantaneously be available to the MAC, and that submission was filed late, the provider's MCReF submission will be considered the original cost report submission and will be treated as late, regardless of the state of the mailed-in submission. To prevent confusion, providers will receive a warning from MCReF if they are filing their original MCR past their due date. This will give the provider the opportunity to determine if a timely MCR has already been submitted via a method other than MCReF.
- **Exceptions to using MCReF (In these scenarios, the MCR should be mailed or hand-delivered to the MAC):**
  - Any MCR that would satisfy CMS' Acceptability Criteria but is not allowed by MCReF due to the restrictions detailed above must be filed via the mail or hand-delivery (e.g.: an MCR submission with more than 300 MB of "Other" documentation).
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